Daily Report

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Yugoslavia

Federal—Belgrade radio reports that Vladislav Jovanovic, foreign affairs minister, "submitted his irrevocable resignation" to Prime Minister Milan Panic. In his resignation letter, Jovanovic stated: "Your approach to and concept of resolving the Yugoslav crisis on the international scene as well as some of your recent practical steps concerning the department which I head profoundly clash with my notion of national duty and dignity," TANJUG reports. He added: "I find it impossible to continue to remain in a government that is increasingly openly pursuing a policy opposed to the interests of Serbia and the Serb nation." Panic accepted Jovanovic's resignation, saying: "I greatly respect Vladislav Jovanovic as a person and I respect his capabilities. It is clear, however, that there are differences between us in approach and style of conducting foreign policy."

Bosnia-Hercegovina

Cyrus Vance and Lord Owen, cochairmen of the Conference on Yugoslavia, visited Sarajevo on 10 September and "held separate meetings with Alija Izetbegovic, president of the Presidency of the Republic of Bosnia-Hercegovina, and Radovan Karadzic, president of the Presidency of the Serb Republic," Belgrade radio reports. Izetbegovic stated in a news conference covered by Sarajevo radio: "Messrs. Vance and Owen demanded that we continue talks in Geneva, and I promised that a government-level delegation would go to Geneva, but it would clearly present the views of a democratic, secular Bosnia that will not be divided along ethnic lines." Karadzic told TANJUG in a telephone statement that "the Serbian side confirmed its support for the London conference and for the continuation of work in Geneva by groups of experts," and he stressed that "the Serbian artillery positions around Sarajevo, Jajce, and Bihac have been ready to receive UN observers."

Croatia

Zagreb radio reports that the Foreign Affairs Ministry issued a statement on the detention of an Iranian plane in Zagreb on 4 September in which it said that the plane had a "declared cargo of humanitarian aid intended for the Republic of Bosnia-Hercegovina. Subsequent inspection of the cargo, conducted in the presence of UNPROFOR representatives, revealed that apart from the humanitarian aid the cargo contained a substantial quantity of small arms and ammunition."

Hungary

"Hungarian arms deliveries to the former Yugoslav republic of Croatia have been disclosed after nearly ten months," TANJUG reports. The deliveries consisted of 11 tonnes of missiles and arms and ammunition. The report notes: "What happened to the smuggled arms is still uncertain. Some believe the weapons were captured in Hungary, others say they were delivered to the Croatian Army."

Poland

Poland and Uzbekistan signed an agreement to establish direct economic and trade contacts, PAP reports. The agreement "creates foundations for direct contacts between firms of the two countries, as well as establishing joint ventures, organizing consulting services, exhibitions and industrial fairs."

German Chancellor Assures Berisha of Support

AU1109130992 Tirana ATA in English 0800 GMT 11 Sep 92

[Text] Tirana, September 11 (ATA)—The Albanian President Sali Berisha has received a letter from federal chancellor of the Federal Republic of Germany, Helmut Khol, which says among the other things:

The Federal Republic of Germany is following with great concern and sympathy the difficult process of reforms in Albania. The federal government powerfully supports your government in regard to the application of the necessary political and economic reforms.

Following the first democratic elections in your country, says the letter, there are being translated into life some concrete projects. I rejoice over the fact that this year we may afford you 25 million Deutsch marks for the economic recovery of your country.

Another happy news over the last year has been the agreement reached between Germany and Albania on the exchange of working people. According to this agreement 500 workers will come to Germany every year in order to improve their knowledge of language and to acquire further professional training. After this, the agreement foresees that number of workers who will come to Germany every year will amount to 1000.

Besides its considerable bilateral commitment, the federal government is also concerned in bringing nearer Albania with European Community and in offering it favouring measures. I may assure you that this stand will remain unchanged in the future too. Amongst others, the federal government has persisted in offering an aid to the balance of payments and a new food aid.

Socialist Party Discusses Army Reforms

AU0809151292 Tirana RILINDJA DEMOKRATIKE in Albanian 7 Aug 92 p 4

[Janaq Budina, Stavri Trebicka article: "The Socialist Party Is a Decisive Opponent of Army Reform]

[Text] The Socialist Party [PS], being against all kinds of reform, openly opposes the military reform, too. The Socialists do not want a reduction of the Armed Forces in today's circumstances because, they say, "the whole world is saying the Balkans will turn into a volcano...", and reform will reduce the Army to nothing. Outstanding military theoreticians, whose thinking on the military line is very much in tune with that of the Socialist Party, consider the Army reform mistaken and with unpleasant consequences for the country's defense when "an explosive situation, dangerous for all of Europe, is being created in the Balkans". This conclusion urges these military men to oppose the reduction of military expenditure, which will not damage our country's defense, and encourages them to prepare for war. Therefore, these patriots engage in warning the public that reform will seriously damage country's security and defense.

The Socialists call the reform revenge, as if it would destroy the current Army. They allege that war criminal offspring and their collaborators, whom they identify with prisoners of conscience, are being prepared to be sent to military schools at home and abroad. We do not agree that the Army should be stretched out equally through the country, throughout the mountains, as it was during the time of the single-party system, because in case of threats of aggression it would be difficult to maintain an active defense. On the contrary, the reform's implementation will produce a modernized and disciplined army and will concentrate the Army in barracks at key points. In this way, we will strengthen our country's defense, and we do not aim to weaken the Armed Forces but to increase their firepower, and we will have a reduced number with which our economy can manage.

We should bear in mind that the reform is being carried out at a time when the Cold War is over. Albania is not isolated any more. Many international organizations and institutions that function in favor of the peoples' freedom and independence and solve political problems in democratic ways have been established. It is natural that the danger and threats of aggression have diminished. Therefore, Albania cannot be excluded from processes and changes when many countries are trying to cut military budgets and reduce conventional weapons. Albania used to have enormous military expenses, and their level in comparison with European countries was very high. It is a heavy burden for our destroyed economy to continue to support the current military expenses.

Some military men consider the reduction of Army staff and units as if they were simply being kicked out and not as an absolute necessity that arises out of the present situation of our country. They allege that their rights have been violated and demand that service regulations and the law on their financial remuneration be implemented. The wage of a retired military man is higher than that of a deputy minister. These gentlemen have forgotten the time of dictatorship when Enver Hoxha dismissed thousands of servicemen giving them a symbolic pension just to survive.

ZERI I POPULLIT distrusts the fraternal relations between our Army and other countries' armies and considers this an effort to find a diagnosis of the Army's sickness beyond our borders. This is like in Enver's time; the noble successors of the Party of Labor demand the total isolation of the Army and deny the positive experience of other armies. The same paper emphasizes that the status of Albanian servicemen is one of the worst in the world, putting our servicemen into a position of inferiority to foreign servicemen. Finally, to convince us fully, this paper points out that in some Eastern countries they discharge army officers, giving them 105 to

110 percent of their former wages. These gentlemen behave as if they came from another planet. They forget the poor economic state of Albania, which is below the level of all other Eastern European countries. How on earth do they dare to make such hardhearted demands for better conditions and live in clover?!

"Outstanding military leaders" of the PS write in ZERI I POPULLIT that "Albania does not have a military doctrine," and later they ask: "Do we need to import a military doctrine from abroad, too...?" They then say that "the Albanian military men will draft it themselves". In the first place, military doctrine is the same for all armies. On the other hand to implement it, each country must take into consideration its own characteristics and material and financial capabilities, and in accordance with this, the Albanian military men, and not foreign military men, decide what their military strategy and tactics should be. Apparently, what these military theoreticians mean when they speak of military science is a special sort of doctrine identical with the "popular military art" of Enver Hoxha. Hoxha imagined in his sick mind all kinds of dangers and aggressions by imperialists and revisionists, as if Albania were the center of the world, and called for too much military expenditures in the field of defense, which destroyed the Albanian economy.

The PS press and some military men rail against the reform in the Army and consider it an exercise in personnel as a few dozen military leaders were dismissed and replaced by new ones. The PS tries to convince the people that the assignment of combat duties to servicemen is done according to the level of loyalty they show toward the current wielders of power, that the Army prefers to have staff from the north, and that Albania is intentionally being divided into north and south to create dissatisfaction among the military. In this way they want to hinder the reform and destabilize the situation in our country, too. No political criterion has been applied during the changes in the Army, except that of professional abilities and attitude toward the reform. The Socialists want the Army to be commanded by people with socialist convictions—those people who in February 1991 almost led the Army toward Tirana. They have gone so far as to make ominous appeals in ZERI I POPULLIT to military men, calling on them to revolt, and they almost accuse the president of high treason. These base attacks in insulting tones made by hoodlums against the president and defense minister go beyond all boundaries of politeness. This shows a lack of democratic culture, and these indecent acts can be omitted only by people who are addicted to slander, demagogy, and deception. Unfortunately, whether the Socialists like it or not, the military reform will be carried through to the end for the benefit of the Army and Albania.

Accord on Labor Market Cooperation With UK Signed

AU1009142492 Sofia BTA in English 1316 GMT 10 Sep 92

[Text] Sofia, September 10 (BTA)—Bulgarian Minister of Labour and Social Affairs Mr. Vekil Vanov and a British minister of state at the Department of Employment, Mr. Michael Forsyth, signed a declaration on cooperation between the two countries in the field of the labour market here today. They also coordinated the principal aims of the programme for cooperation in the field of the labour market. It provides for the training of employees of the Bulgarian Ministry of Labour, the development of programmes for the unemployed, the development and introduction of systems for controlling the payment of unemployment relief, and the encouragement of entrepreneurship.

In cooperation with the British Department of Trade and Industry Bulgaria will receive assistance in the field of the development and encouragement of the newly emerging entrepreneurial culture. The programme will be financed by the Know-How Fund of the British Government for rendering assistance to eastern Europe.

Mr. Don Bruce, resident consultant of the British Department of Employment in Bulgaria, will consult Bulgaria on its employment policy and on strategic issues in the field of the labour market.

Dimitrov Receives UK Official

AU1009150792 Sofia BTA in English 1337 GMT 10 Sep 92

[Text] Sofia, September 10 (BTA)—Prime Minister Filip Dimitrov received today Mr. Michael Forsyth, British minister of state, Department of Employment, who is paying a brief visit to Bulgaria.

We acquainted Mr. Dimitrov with the declaration on cooperation between the United Kingdom and Bulgaria in the field of the labour market signed today, Bulgarian Minister of Labour and Social Affairs, Mr. Vekil Vanov, told the press after the meeting.

During the meeting with Mr. Dimitrov we discussed the ways in which the British Government could help the Bulgarian Social Affairs Ministry in solving the problems of unemployment, the British minister of state said. Mr. Forsyth told the Bulgarian premier that British Prime Minister John Major, who now presides the European Community, views positively democratic Bulgaria's association to the EC in the near future. The British minister of state expressed the readiness of the British Government to render Bulgaria expert assistance in solving its problems in the transition to a market economy.

Dimitrov Comments on Arms Trade Investigation

AU1009173992 Sofia BTA in English 1432 GMT 10 Sep 92

[Text] Sofia, September 10 (BTA)—The findings of the Arms Export Control Commission are no state secret, Prime Minister Filip Dimitrov told journalists today, in connection with the attempts to export Bulgarian weapons to Iraq reported by Interior Minister Yordan Sokolov at a press conference yesterday.

The information revealed concerns the work of the security bodies, which prevented one delivery, Mr. Dimitrov said before a Council of Ministers meeting today. It might be expedient to keep secret some more detailed information. The data reported is beyond doubt, Mr. Dimitrov said. It is certain that documents were forged, the prime minister said.

The cabinet has always drawn fire, Mr. Dimitrov said, answering a question about how he is feeling about developments in the last few weeks. It has survived as well as the changes it is effecting. I would wish some more patience to those who would have this cabinet resign, he said, obviously in connection with press criticism of the government following recent statements of President Zhelev along the same lines. The cabinet's economic policy has been criticized by the ethnic Turks' Movement for Rights and Freedoms (DPS) and some trade unions, too.

The floor leader of the ruling Union of Democratic Forces (SDS) Aleksandur Yordanov reported that at its sitting today the National Assembly Foreign Policy Committee suggested to hold an extraordinary joint meeting with the National Security Committee, which would hear explanations by the cabinet, Prime Minister Filip Dimitrov and MP [member of parliament] Dimitur Ludzhev (ex-defence minister) in connection with press reports on attempted illegal arms deliveries to countries under UN embargo. The committee is concerned not so much about the financial speculations involved as about the smear on the country's reputation, Mr. Yordanov said.

A little later the National Assembly National Security Committee authorized the five-member working group dealing with problems of military industrial enterprises to hold a parliamentary inquiry into the arms deals.

Meanwhile, it was reported that the Polish Embassy, Consulate and Commercial Mission in Sofia have not so far been informed about the inquiry of the Bulgarian Governmental commission into the case and, especially, with regard to the contacts between the Polish company Cenzin and the Bulgarian arms exporter Kintex.

Polish Deputy Minister of Foreign Economic Relations Zbigniew Wojciech told GAZETA WYBORCZA that the Polish Foreign Economic Relations Ministry was not officially informed about the inquiry, either. He said that if Cenzin's involvement is confirmed, adequate measures will be taken.

European Bank To Fund Telecommunications Project

AU1009185692 Sofia BTA in English
1641 GMT 10 Sep 92

[Text] Sofia, September 10 (BTA)—The European Bank for Reconstruction and Development will grant ECU [European Currency Units] 32 million for a telecommunications development project in Bulgaria, the chairman of the Communications Committee Mr. Stefan Sofiyanski reported at the government's Press Office today. The project was approved on first reading by the bank's Board of Directors, which praised highly the political situation in this country, Mr. Sofiyanski said.

The European Investment Bank will contribute ECU 70 million and the World Bank will probably contribute ECU 15 million to the project. The loans will have to be repaid by the year 2006.

The telecommunications network development project will be effected in 1993-96 and include the construction of 11 transit exchanges, an international exchange and a ground satellite station. 48 companies, including Siemens, Philips, Ericon, Italtel, etc., will tender for the contract this November.

At its meeting today the Council of Ministers approved the guidelines for the structural adjustment of the military industry proposed by Minister of Industry Rumen Bikov and assigned him to present a specific programme within three weeks. No details were reported.

The Council of Ministers approved a draft economic cooperation agreement with North Korea, a draft agreement with China on reciprocal assistance in civil suits, and amendments to a sea navigation accord with Iran. The Council of Ministers also discussed Bulgaria's stand at the forthcoming negotiations with Turkey on property and financial issues.

The Council of Ministers approved a draft intergovernment economic cooperation agreement with Moldova and authorized Minister of Trade Aleksandur Pramatarski to hold talks and sign the document. According to the accord, Bulgaria will take part in the so-called triangular operations and become a partner of Moldova in effecting the ECU 27 million in EC aid to the CIS. Bulgaria is ready to export medicines to the ex-Soviet republic, Mr. Pramatarski specified.

Minister of Trade Aleksandur Pramatarski today met with journalists at the Council of Ministers Press Centre. Cooking oil and sugar shortages on the Bulgarian market were occasioned by traders exporting these commodities to Macedonia, where prices are kept artificially high, he said. The Trade Ministry banned the export of cooking oil and will take similar measures concerning sugar, the trade minister said.

Act on Foreign Debt Rescheduling Passed

AU1009171792 Sofia BTA in English
1547 GMT 10 Sep 92

[Text] Sofia, September 10 (BTA)—Parliament today passed an act on the ratification of debt-rescheduling agreements between Bulgaria and its official creditors: Austria, France, Denmark, Finland, Germany and Switzerland. This is a general agreement with the creditor banks of the Paris Club, Prime Minister Filip Dimitrov said. He argued for the bill in the plenary chamber today. A specific agreement has been reached with each of the countries, as a result of which Bulgaria has achieved a considerable rescheduling of debt service payments. It is difficult to say whether the agreements are final, but the results have placed this country in a favourable position as far as debt service payments are concerned, the prime minister believes. Bulgaria's debt to its official creditors amounts to 1,800 million dollars, one-fifth of its aggregate external debt, Mr. Dimitrov said. In a few days he will put forward in parliament a more complicated proposal concerning opportunities for Bulgaria to start debt service payments to commercial creditors.

Teachers, Health Workers Set Forth Demands

AU1009190092 Sofia BTA in English
1649 GMT 10 Sep 92

[Text] Sofia, September 10 (BTA)—The Union of Bulgarian Teachers, the Independent Federation of University Lecturers, and the Trade Union of Medical Workers have pooled efforts to defend their rights, activists of the three organizations told a news conference today. Intellectuals should unite to attract the cabinet's attention, representatives of the trade unions believe.

Teachers, lecturers and medical workers have set forth their demands in an official letter to the Council of Ministers, asking it to send a representative to future negotiations. Unless the cabinet meets their demands by the end of the month or unless negotiations start, the trade unions may resort to joint protest actions, but not before they have exhausted every opportunity for dialogue, the trade union activists said. Unfortunately, teachers and medical workers are the lowest paid groups of intellectuals in this country. They are the only ones so far who have not made serious wage demands or gone on strike to protest against their straitened circumstances.

Foreign Minister Ganev Arrives in Istanbul 9 Sep

WA1009141992

For reportage on the visit by Foreign Minister Ganev to Turkey, including reports on his talks with Turkish Foreign Minister Cetin, please see the Turkey section of the 10 September West Europe DAILY REPORT and subsequent issues.

Meciar Advocates Common Defense Policy

LD1009205892 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1930 GMT 10 Sep 92

[Text] The Slovak premier is for a common defense policy, even after the division of the Czechoslovak Federation on 1 January 1993. According to APA, Vladimir Meciar said this in an interview given to Austrian journalists in Bratislava. He added that the corresponding treaty was being prepared at present and should be signed by the Czech and Slovak side before the end of October.

We want to avoid the Yugoslav and Russian errors, Vladimir Meciar said, and added that was why a joint army command should be preserved.

Klaus Says No Joint Command Planned After Breakup

LD1009153192 Hamburg DPA in German 1359 GMT 10 Sep 92

[Text] Prague (DPA)—Following the dissolution of the CSFR, which is planned to take place at the beginning of next year, there will be no joint army or joint supreme command, contrary to initial agreements. Czech Prime Minister Vaclav Klaus stated this in an interview on First German Television (ARD) on 10 September. However, it is questionable whether the present joint army institutions can be divided up between the republics by the dissolution date (1 January 1993). Initially, the Czech and Slovak negotiating partners had agreed on a joint supreme command.

At the same time the Czech head of government expressed doubt about whether there will be a currency union between Slovakia and the Czech Republic. There will, however, be the agreed customs union between the two republics. Klaus thinks former CSFR President Vaclav Havel will also be the first president of an independent Czech Republic.

Civic Democratic Official on Method of Breakup

LD1009152292 Prague Stanice Ceskoslovensko Radio Network in Czech 1400 GMT 10 Sep 92

[Text] The social committees of the Federal Assembly recommended that the chambers approve a draft constitutional bill on the manner of termination of Czechoslovakia as submitted by the Federal Government. True, the opposition expressed the view that the division of the Federation should be on the basis of a referendum. The government coalition, however, voted down these proposals. The draft envisages that Czechoslovakia will terminate either by a declaration of the Federal Assembly, an agreement of National Council, a referendum, or secession of one republic from the Federation.

A declaration of the Federal Assembly, according to the view of Civic Democratic Party Deputy Chairman Petr Cermak, will be the most acceptable form of the termination of the Federation for the assembly. This is how Petr Cermak responded to a question at today's press conference about the preferred method. As to the agreed principles of the division of property of the common state, he said that the territorial approach is the fastest and the principle 2 to 1 is relatively just. The property has to be divided in functional entities, and where this is not possible financial compensation must be applied.

Bill on Federation Termination Published

AU1109085992 Prague LIDOVE NOVINY in Czech 8 Sep 92 p 2

["Text" of the CSFR Government-sponsored "Bill on the Manner of Termination of the CSFR", place and date of issue not given]

[Text] The CSFR Government has submitted to the Federal Assembly its Bill on the Manner of Termination of the CSFR. Deputies will start discussing it this week in individual parliamentary committees and, on 22 September, at a joint meeting of Federal Assembly chambers. We publish the entire text of the draft.

Article 1

The CSFR will cease to exist by
a) Declaration of the Federal Assembly approved by a Constitutional Law of the Federal Assembly, or
b) Agreement between the Czech National Council and the Slovak National Council, or
c) Referendum called on the basis of the Constitutional Law of the Federal Assembly, or the Constitutional Law of the Czech National Council, or the Constitutional Law of the Slovak National Council, or
d) withdrawal of the Czech Republic or the Slovak Republic from the CSFR by means of the constitutionally expressed will of the Czech National Council or the Slovak National Council.

Article 2

1. If the CSFR ceases to exist by any manner listed in Article 1, the Czech Republic and the Slovak Republic become its successor states.
2. A Constitutional Law of the Federal Assembly in the event listed in Article 1, letter a) and an agreement between the Czech Republic and the Slovak Republic in the events listed in Article 1, letters b), c), and d) will
a) determine the transfer of the CSFR's jurisdiction to the successor states;
b) determine the manner of the transfer of the CSFR's property to the successor states.

Article 3

Prior to the termination of the CSFR's existence, the Czech Republic and the Slovak Republic are entitled to discuss the arrangement of mutual relations in matters falling within the CSFR's jurisdiction.

Weiss: Slovak Constitution, Laws 'in Harmony'

AU1009132092 Prague CSTK in English 1752 GMT 8 Sep 92

[Text] Bratislava [date'sne as received]—In the opinion of the Democratic Left Party (SDL), the adoption of the Slovak Constitution is in harmony with current legislation and means neither independence for Slovakia nor its unilateral walkout from the Czechoslovak Federation, SDL Chairman Peter Weiss told a press conference today.

He said those Czech politicians who claim otherwise are seeking to prepare political and other conditions for the Czech Republic to gain successor rights to the Federation.

On the problems in the relationship between politicians and journalists in Slovakia, Weiss said they are a consequence of insufficient professionalism on both sides.

MKDH Accuses Meciar of 'Hostile Attitude'

AU1109092992 Bratislava PRAVDA in Slovak 8 Sep 92 p 2

[CSTK report: "They Accuse the Movement for a Democratic Slovakia"]

[Text] Prague— In a statement presented to CSTK, the Club of Deputies of the Hungarian Christian Democratic Movement [MKDH] and the Club of Deputies of the Coexistence movement yesterday accused the political leadership of the Movement for a Democratic Slovakia [HZDS] and Prime Minister Vladimir Meciar, in particular, of ignoring the interests and demands of the Hungarian national minority and of not recognizing the legitimacy of deputies representing the MKDH and Coexistence in the supreme legislative body of the Slovak Republic.

The Hungarian coalition in the Slovak National Council represents almost 75 percent of voters of Hungarian nationality, and one of its tasks is to defend the interests of national minorities and ethnic groups and to secure their legal guarantees by constitutional means, the statement says. The MKDH and Coexistence Clubs of Deputies accuse HZDS Chairman and Prime Minister Vladimir Meciar and his movement's deputies of stepping up their hostile attitude toward members of the Hungarian minority and particularly toward its leading politicians and representatives in parliament. They reject as untrue their accusations, voiced in the mass media prior to the intergovernmental talks in Budapest, that deputies of the Hungarian coalition deliberately provoke political tension and the accusation that "the Hungarian Government should look after its own minorities, rather than paying attention to the standing of the Hungarian minority beyond Hungary's borders."

Moravcik Outlines Slovak Foreign Policy

AU1009194892 Bratislava NARODNA OBRODA in Slovak 8 Sep 92 pp 1, 3

[Interview with Foreign Minister Jozef Moravcik by Julius Gembicky; place and date not given: "The Contours of Slovak Diplomacy"]

[Text] Federal Foreign Minister Jozef Moravcik's position at the head of the Czechoslovak diplomatic corps is an unusual one. The Czernin Palace's main role until the end of the year, obviously, is to wind down its activity and gradually hand over all its jurisdiction to the Republics. Despite the closure of representative offices (Australia, Bolivia, Ecuador, and Ethiopia) in the CSFR, the curbs on its diplomatic activity, and the gradual freezing or reassessment of treaties, the minister is an optimist...

[Gembicky] Following the adoption of a law on the method for terminating the Federation, the Czech and Slovak Republics' common foreign policy will gradually be scaled down. What course will this process follow during the next three months?

[Moravcik] During the period involved—that is, from the beginning of October to the end of December—we would like to develop a specific concept to divide Czechoslovak property abroad. The issue of succession, the archives, and how the two countries' embassies will be staffed also has to be resolved. We have to agree on where each Republic will have its own independent representative office and where we will have a joint embassy. Therefore, during this period, we will also have to finalize personnel issues so that the embassies can come into operation immediately after the Federation breaks up.

[Gembicky] However, the process of the Czech and Slovak Republics' gradual—but rapid—recognition must precede the opening of Czech and Slovak diplomatic missions....

[Moravcik] ...Yes. We have to commence the process of establishing diplomatic ties as quickly as possible. We plan to use the CSCE Council of Ministers meeting in December for this purpose. We would like to raise the general issue of the two republics' recognition at the meeting. We would also like to use this diplomatic summit to explain the principles on which the federation's breakup is based. We would like to submit draft measures to the meeting for consideration, measures that guarantee the whole process will proceed peacefully and will not endanger stability in Central Europe. We would also like to press for a motion stating that it would be in the best interests of this region if the CSCE Council of Ministers were to recommend diplomatic recognition of the two Republics as soon as possible. We will also hold a number of bilateral meetings in this regard.

[Gembicky] What kind of strategy will you assert regarding the international institutions in which the CSFR was affiliated or was a regular member?

[Moravcik] In the system of agreements via which the CSFR was linked to the world, we unequivocally consider the Association Agreement to be the most important along with the settlement of all issues associated with integration into Europe. We are very active in this phase, because the time is now ripe. This week we fly to Brussels where we will hold talks with Messrs. Delors and Andriessen on issues such as how the CSFR's breakup will affect the Association Agreement's entire ratification process. Despite the federation's breakup, we want to continue all the diplomatic activities we entered into, and we want to fulfill all the tasks and undertakings arising from international agreements. From this point of view, I mean—in particular—our obligations arising from the CSCE Council Presidency, which we will hand over to the Swedes in December at the aforementioned Council of Ministers session. We will cooperate very closely with both national ministries during this transition period.

[Gembicky] The process of gradually establishing diplomatic relations and opening its own representative offices awaits Slovakia. From the point of view of the republic's evolving foreign policy doctrine, which countries are of strategic importance, that is, which countries would we like to have a representative office in right from the beginning?

[Moravcik] First of all, we will have to formulate our own foreign policy doctrine. It is in the preparation stage. However, we can already say that we will seek representation in the countries of the Security Council permanent members, the Group of 7, the United States, and the EC states. Naturally, we will also seek representation in all neighboring states.

[Gembicky] If prerequisites for coordinating Czech and Slovak foreign policy are to be formulated after the Federation breaks up, how will this policy appear in practice?

[Moravcik] At the moment, it is not absolutely clear how this coordination will function. So far, only the principle of coordination has been agreed upon; however, it has not yet been enshrined in a written document. The establishment of a permanent coordinating body is not being taken into consideration. However, if we were to concretize this issue, we could proceed from the model for the European Twelve and the Maastricht agreements. These documents could also act as a certain starting point and serve as a basis for us. Moreover, coordination will also be necessary because—for a certain period—we will have a joint Army, or rather, a common defense doctrine.

[Gembicky] Do your ideas concur with those of the Czech side?

[Moravcik] In this general framework, yes.

[Gembicky] We are now at the stage prior to Slovakia's international recognition as an independent state entity. According to the reports at our disposal, all the European countries have—allegedly—indicated their willingness to recognize the Republic. What signals are you receiving in this regard from other countries?

[Moravcik] So far, I have not come across any points of view that would indicate any country is differentiating between the Czech and Slovak Republics. In all our meetings, we ask for understanding for our situation and for an equal course of action toward both Republics. I am convinced there will be no differentiation between the Czech and Slovak Republics, because other countries realize that a possible differentiated approach to the two state entities would not foster stability in Central Europe.

[Gembicky] After we establish our own representative offices, will we have enough capable diplomats and enough money to put them into problem-free operation in—at least—the most important countries?

[Moravcik] From the personnel point of view, the situation has now crystallized to such an extent that we will be able to open our own embassies in all countries necessary. Which countries this will involve has not yet been decided, and the costs associated with this have not yet been calculated. Specifying the sums involved will be a main task in the three months until the end of the year.

[Gembicky] In the countries where we will have—shall we say—a joint diplomatic establishment, will we operate in tandem or will we be, to a certain extent, in competition with each other?

[Moravcik] I do not think we would have joint representative offices. I would consider it more rational if we were to conclude an agreement that in certain countries there will be either a Czech or Slovak representative office that would also represent the interests of the other republic. Naturally, this would only come into consideration in territories where there are no competitive interests.

[Gembicky] Creating the conditions enabling many countries to open representative offices in Bratislava is also associated with establishing diplomatic relations. Will we have enough room and enough large buildings to satisfy all those interested in us?

[Moravcik] It is necessary to allow for the fact that problems may arise. However, I feel that such an investment and such an effort will benefit Slovakia and will pay off in the end.

[Gembicky] What will happen to the Federal Foreign Ministry's current facility in Bratislava—the Press and Information Center for foreign correspondents?

[Moravcik] This facility will also become part of property delimitation. It will be incorporated into the general plan for resolving the issues associated with transferring jurisdiction in the foreign policy sphere from the center to the republican ministries.

[Gembicky] The Slovak Constitution was adopted last week. What was the response abroad?"

[Moravcik] So far, I have not heard anything specific. We briefed foreign representative offices in advance. We gave them a copy of the draft constitution and asked them for their point of view. We have not come across anything that would place the whole process of adopting the Constitution in a bad light. All the reports we received were, in essence, positive. Most interest was focussed on issues concerning the protection of the ethnic minorities' rights and the general protection of citizens' rights. From this point of view, there were no fundamental reservations against the provisions enshrined in the draft. Some representative offices said that what matters is—first and foremost—how some of the Constitution's provisions are implemented in practice.

[Gembicky] As the head of our diplomatic corps and as a leading Movement For a Democratic Slovakia representative, you have a great opportunity to make Slovakia more visible abroad. What steps will you take next?"

[Moravcik] As far as making Slovakia more visible in the world is concerned, I think this is—first and foremost—a task for Slovakia's political representatives and is a matter for its most senior bodies. The kind of policy it formulates and how it creates conditions for partnership and cooperation with the world will be important as far as making Slovakia visible. Naturally, we will also create conditions for this within the Federal Foreign Ministry. It is our task to prepare a whole structure for international relations so that both republics can present themselves to the world after the Federation breaks up.

[Gembicky] The first criterion for the success of Slovakia's foreign policy will be the republic's acceptance into the European Community as an independent entity. In your opinion, when can we expect to enter the EC?"

[Moravcik] It would be favorable for the Slovak Republic—and I will do everything I can to ensure this is the case—to enter the EC along with the Czech Republic, Hungary, and Poland. It is in Slovakia's vital interest for the Visegrad troika, or rather, quartet, to be maintained and for the EC states' attitude toward this group not to change. The fact that this whole group will be integrated into the EC at—more or less—the same time should be taken into consideration. I cannot say exactly when this will be. However, I think it could happen at the beginning of the next century.

[Gembicky] Can you confirm or deny that Magda Vasaryova will shortly be recalled from her post as CSFR ambassador in Austria?"

[Moravcik] We are taking this move into consideration, because this is an embassy we would like to establish in such a way that it represents the two republics' interests after the Federation breaks up. This means that Czech and Slovak representative offices can be formed from the staff already there. Mrs. Vasaryova told me that she will not represent the Slovak Republic, or rather, that she will consider her mission to have come to an end with the termination of the Federation.

[Gembicky] In conclusion, I have a personal question. After the Federation breaks up, will you be involved in Slovak foreign policy?"

[Moravcik] It would be premature to answer this question at the moment.

New Ambassador to U.S. Outlines Mission

LD1009103492 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 9 Sep 92

[Text] We have mentioned our diplomatic representation abroad several times on "Radiorurnal" this week. Editor Anna Korbova had some good luck today. At the Transportation Ministry, she managed to interview Michael Zantovsky, our new ambassador to the United States, before his departure for Washington:

[Begin recording] [Korbova] Mr. Zantovsky, what feelings and what pledges will you take with you when you leave for the United States to carry out the demanding duties of the ambassador of our country?"

[Zantovsky] First of all, the feeling of great responsibility because I am leaving in a period which is rather complex, both in domestic politics and in our foreign policy. The priority of foreign services, including our Washington office, is to keep explaining how our further development is going and especially to assure our foreign partners that neither regional stability nor the historic and long-term friendly relations between the Czech and Slovak nations will be affected by this process.

[Korbova] Do you believe that it is going to be an easy or accomplishable task?"

[Zantovsky] I do not believe that it is going to be an easy task. It will be an exceptionally difficult task, not only for myself, but for all who are involved in foreign policy. I am optimistic; I believe that it can be accomplished.

[Korbova] What do you expect from your mission in the United States?"

[Zantovsky] There is not much time for personal wishes. They must come last. I may come up with some onboard the aircraft. [end recording]

Defense Minister Meets With Austrian Counterpart

WA1109105692

For reportage on the visit to Austria by Defense Minister Imrich Andrejcak, including his talks with Austrian Defense Minister Werner Fasslabend, see the Austria section of the 11 September West Europe DAILY REPORT.

Paper Reports Details of Arms Shipments to Croatia

LD1009122892 Belgrade TANJUG in English 1116 GMT 10 Sep 92

[Text] Belgrade, Sept 10 (TANJUG)—Well-kept secrets about the Hungarian arms deliveries to the former Yugoslav republic of Croatia have been disclosed after nearly ten months, the Belgrade daily VECERNJE NOVOSTI says on Thursday [10 September].

The deliveries contained 11 tonnes of the latest-typed missiles, arms and ammunition, sent to Croatia by a special Chilean plane in December last year.

"According to official reports, the plane was carrying medical supplies," the daily says.

The Chilean plane landed on the Budapest Airport off the route, instead of flying directly to Varazdin, a town 60 kilometers north of the Croatian capital Zagreb. The arms were to be loaded on to trucks and transported to Croatia, and the Hungarian police discovered that the weapons were destined for the Croatian forces, the daily adds.

It says that "only a few people from the Hungarian state security and customs administration were informed about the case."

Involved in the affair were pilot of the Chilean plane Zvonimir Zitnjak, Marijana Besenic, Stjepan Macek and Stjepan Labas—all citizens of the former Yugoslavia—and one Swiss and one German national, VECERNJE NOVOSTI sets out.

The police "returned them their passports with apology" and let them leave Hungary, the daily says.

"What happened to the smuggled arms is still uncertain. Some believe the weapons were captured in Hungary, others say they were delivered to the Croatian Army," VECERNJE NOVOSTI concludes.

Government Spokesman on Meciar Visit, Minorities

LD1009222592 Budapest Kossuth Radio Network in Hungarian 0445 GMT 9 Sep 92

[Interview with government spokesman Balazs Laszlo by Levente Suekoesd on the occasion of Slovak Prime Minister Vladimir Meciar's visit; date and place not given—recorded]

[Excerpts] [Laszlo] First of all, we have to take note of the fact that the Hungarian minority's right to use its language, and mainly the exercising of this right, has deteriorated. In terms of the new language law, they are practically preventing the Hungarian minority from using its language. [passage omitted]

[Suekoesd] These are all known facts. What possibilities does the Hungarian Government have to change this situation?

[Laszlo] The Hungarian Government proposes to the Slovak side that we bring these problems to the surface and discuss them on a multilateral and mainly bilateral basis; in other words at patient, objective discussions and talks. The assertion of the rights of minorities is not the internal affair of any single country, according to every European agreement, but is the subject of justified international attention and intervention [beleszolas].

[Suekoesd] The Slovak prime minister says that the situation of minorities has not yet been resolved in Hungary either, since there is still no minority law; its preparation has been going on for months.

[Laszlo] The Hungarian Government has essentially prepared a nationality bill by means of a very thorough, very serious consultation and coordination with those concerned, lasting several months; most European countries do not have a law of this kind yet. After several rounds of talks, the government submitted the draft to the National Assembly, and we hope that the National Assembly will soon find the time and means to debate this nationality bill; and we also hope that provisions of this nationality bill will accord with the European agreements and practice of European rights in the judgment of the European governments.

As far as the shaping of good relations in the long term is concerned, in that we can agree with the wish of Slovak Prime Minister Meciar. After all, it is the intention of the Hungarian Government, the Hungarian side, as well, that we lay the foundation, and if possible then in the long term, for the frameworks of the relations of good-neighborly, friendly cooperation with this new emerging state, Slovakia.

There is a danger that, with the construction of the hydropower plant, an international legal problem will arise between the two countries. [passage omitted] If we cannot reach a satisfactory bilateral agreement on this issue, then Hungary will turn to the International Court in The Hague, whether we manage to turn to the Court with a bilateral joint request or unilaterally.

[Suekoesd] On the part of the environmentalists, we can hear fears being voiced that the Hungarian Government is back-tracking. Are these fears realistic?

[Laszlo] No. The Hungarian Government naturally proceeds within the scope determined by the National Assembly Resolution. With all its strength, it strives to prevent the construction of the Bos [Gabcikovo] power plant, particularly its C Variant, and that to this end, it should reach an agreement with the Czechoslovak and Slovak authorities. Prime Minister Meciar himself has said publicly, in press interviews as well, that they will put the Bos hydropower plant into operation by the end of the year. If we do not manage to prevent this, then obviously there will come about an ill-omened [baljos] turnabout in the real situation, in the situation of the Danube and its environment, such that I think it goes

without saying that it would have to compel the Hungarian National Assembly, and thus the Hungarian Government as well, to reconsider, to reassess, the new situation.

Meciar, Antall Talks 'Stalled' on Major Issues

LD1009223592 Budapest MTI in English 1438 GMT 9 Sep 92

[Text] Budapest, September 9 (MTI)—Talks stalled on all the major issues at a meeting of Hungarian Prime Minister Jozsef Antall and his Slovak counterpart Vladimir Meciar today.

Reporting on the meeting, Hungarian government spokesman Balazs Laszlo said the sides acknowledged their countries' interdependence but both upheld earlier positions on debated issues.

Antall and Meciar agreed to set up three joint ad hoc parliamentary committees to study the ethnic minority issue, the system of bilateral economic and cultural ties and the Gabcikovo hydroelectric plant controversy.

The sides are to invite EC observers to take part in analysing the Gabcikovo problem.

Asked whether Budapest has abandoned a plan to take the hydropower plant issue to the International Court of Justice at The Hague, spokesman Laszlo said in Hungary's view, as the sides seem to be unable to resolve the two most important legal problems of the plant construction, an International Court ruling will be necessary.

The two questions are:

—Whether the 1977 Czechoslovak-Hungarian agreement on the hydropower dam construction is valid,

—Whether the planned redirection of the Danube river violates the common border.

Although Meciar was unenthusiastic about the International Court's possible involvement, he did not reject the proposal.

He said Czechoslovakia's Federal Government will have no time to officially accept the International Court's jurisdiction in the matter, and it is uncertain when the Slovak Government can discuss the issue.

Slovakia expects to put the Gabcikovo hydroelectric plant into operation on 15 October.

Meciar thanked Hungary for its attitude towards Czechoslovakia's separation. He said Bratislava will never forget how Hungary has taken a clear stand assuring Slovakia Hungary respects its borders, Laszlo reported.

Politician Calls For Firmer Minority Policy

AU1109093992 Budapest PESTI HIRLAP in Hungarian 9 Sep 92 p 5

[Interview with Laszlo Retronyak, parliamentary deputy of the Hungarian Democratic Forum and member of the Parliamentary National Security Committee, by Gyula L. Laszlo; place and date not given: "How Can We Recognize Slovakia?—We Respect the Borders"]

[Text] The recently freed Central and Eastern Europe around us is in a commotion. Unfortunately, it seems that the sudden freedom of the region has only added fuel to nationalism and ethnic conflicts. Only in the years following 1918 and 1945 was the fate of the Hungarians who found themselves living outside the Trianon borders was as endangered as it is now. When we thought that we could no longer be surprised in ethnic matters after the tragic events in Romania and Serbia, last week, the most excluding nation-state constitution of this century's stormy European history was created in Slovakia. This fact raises the necessity to reconsider the foreign policy in this respect and to make it more marked. We interviewed Laszlo Retronyak on this issue.

[Laszlo] The current Hungarian foreign policy is considered to be a success story even by the government's critics. Considering this and the current processes in Slovakia, was it justified to unconditionally promise Hungarian recognition of the Slovak Republic in advance? Or will we see this as a gesture to improve the atmosphere before the visit of Slovak Prime Minister Meciar?

The Tactics of Slience

[Retronyak] Hungarian foreign policy is indeed a success story, mainly because of the government's cool, realistic, and consistent steps. The other reason is that it is now free from the former Soviet pressure and from impulsiveness. However, in a number of issues, the Hungarian interests should be represented much more markedly at various international forums and bilateral talks, even if this meets with disapproval on the side of the not exactly patriotic opposition. This is why I do not think it is correct to promise the unconditional recognition of Slovakia, even as a confidence-building political measure. We cannot idly watch the reduction of the national minority rights of Hungarians living in neighboring countries. The tactics of silence ("let us not speak out because this would only worsen the situation of the Hungarian minority") already failed in the politics of the Kadar era. Today it is obvious that this was one of the reasons the Romanian leadership of the time "grew bold!" At the moment, we are in a historical situation that is unlikely to recur in our region. The new and independent Slovak state is being born, and its laws that are being drawn up will determine the fate of the Hungarians who are living there for decades to come. Therefore, Slovak independence can only be recognized on strict conditions that protect and assert the interests

of the Hungarian minority. Naturally, in addition to Hungary, this would require a similar step on the side of the EC countries.

Antiminority Constitution

On the national minority issues, the principles of the Helsinki Accord have to fully prevail in Slovakia, too. If, when recognizing Slovakia, we do not receive or demand guarantees on this and do not do anything to resolve the problems threatening the existence of the Hungarians, then we simply sweep the problems under the carpet! This is precisely the reason why we should also make the Romanian leadership understand that, emotionally, Transylvania is the same for us as Moldova is for them.

[Laszlo] What brings you, a member of the Hungarian legislation, to utter these bitter words?

[Retronyak] The terrible historical experiences of Central Europe in the past 70 years, and the new Slovak Constitution. I do not want to go into the Slovak Constitution in detail now because this is their internal affair. However, some of its passages cannot be left unmentioned by any responsible political factors of Europe! Since the 1930's—except for Romania—there has not been a nation-state constitution passed in Europe that excluded and ignored the rights of national minorities and various ethnic groups to such an extent as there is now in Slovakia. It does not even guarantee the minimum of national minority rights that conform to European norms. For example, it makes Slovak the compulsory national language instead of an official language, it does not ensure collective rights for the national minorities, not even the rights to foster culture....

[Laszlo] Can this be viewed in connection with the statement by Meciar in the parliamentary debate over the constitution, namely that "the autonomy efforts of the Hungarians threaten Slovakia's sovereignty and would lead to isolation"?

Autonomy Is Not the Change of Borders

[Retronyak] It certainly can because of this blind, one-sided, and nationalist attitude. It was the parliamentary majority of Meciar's party that submitted the draft constitution, and it was they who rejected all the Hungarian amendments. As for sovereignty, the examples of Switzerland, Finland, or Australia clearly prove that in a place where many nationalities live in autonomous culture and having equal rights in a state, a flourishing economy and society are established sooner or later. In addition, in the current European situation, no one in his right mind can seriously think that autonomy of national minorities also means the correction of borders. Responsible and realistically-thinking Hungarian leading politicians, including [Prime Minister] Jozsef Antall, have declared at a number of international forums that we respect the borders, even if we consider the Trianon peace treaty tragically painful, deeply unjust, and a historical, outrageous crime! However, this view does not also mean that we will idly watch how the Hungarian minority around us is being attacked, how their situation is made impossible, how certain politicians make them into "scapegoats" to help forget about their own faults and about the unresolved domestic, social, and economic problems of the country. In my view, the solution does not lie in uncritically asserting the inviolability of the borders because we only encourage the nationalist forces by this. Instead, we should speak up at every forum, seize every opportunity to step up with firm demands in the interest of the Hungarians who had to find themselves outside the border—while it is not too late. History has proved many times that silence is understood as complicity and a sign of weakness; and unpunished crime leads to new crimes. Taking a firm stand in the current situation is in the interest of all of Europe because, at the end of the 20th century, it cannot be allowed for the oppression of national minorities and the solution of ethnic issues through systematic resettlement or forced assimilation to create another Balkans in the heart of the continent! Naturally, we have to clearly understand that this is an extremely delicate and dangerous issue; therefore, aggressive threats or battering-ram methods are not allowed, just as using hiding tactics or statements alone cannot be tolerated.

Free Democrat Views National Minority Policy

AU0909132992 Budapest MAGYAR HIRLAP in Hungarian 8 Sep 92 p 5

[Interview with Istvan Szent-Ivanyi, foreign affairs expert of the Alliance of Free Democrats, by Gyorgy Andras Lengyel; place and date not given: "The Free Democrats Have Solidarity With the Hungarians Abroad—Istvan Szent-Ivanyi: The Accusation of Being Antinational Has No Basis"]

[Excerpts] [passage omitted] [Lengyel] There were many rumors about the reasons why the Alliance of Free Democrats [SZDSZ] did not participate as a party in the World Congress of Hungarians.

[Szent-Ivanyi] We were not invited as a party, but regardless of this, a number of SZDSZ politicians participated in various phases of the congress. [passage omitted]

[Lengyel] Do you think that this one-sidedness was deliberately created by the government or was it a result of an unfortunate accident?

[Szent-Ivanyi] Your question suggests a well-meant assumption, but things never come about by accident. It is obvious and had become clear from the policy of the Hungarian Democratic Forum [MDF] that they want to appear in public as the one and only formation committed to the nation. This has become an important feature of the outward appearance of the MDF. At the same time, we disapprove of the fact that the MDF and the government doubt the national commitments of the SZDSZ and try to depict it as an antinational and cosmopolitan party that is alien to the nation. This has

no basis whatsoever and it is only a propaganda tool of the MDF. [passage omitted] We naturally do not agree with the government on several issues of its policy on the Hungarians living abroad. One of these is the government's policy that declared that our relations with the neighboring countries must be subordinated to the principles of the treatment of national minorities, which was unfortunate. [passage omitted] The SZDSZ's view is also different on the so-called border issue. In our view, the "floatation" of the border issue by the government leads to very doubtful results. Unfortunately, this practice can create fears and serve as an excuse for various nationalist manifestations. [passage omitted]

[Lengyel] Up to now, you have only criticized the government's attitude. What would you have said about the SZDSZ's program at the world congress if you had been given a chance?

[Szent-Ivanyi] The major principle of the SZDSZ's policy on Hungarians who are living abroad is that we should end the importance of the borders, "spiritualize" them, and make them possible to cross in every aspect. The second important principle is that we are interested in the emergence of firm and steady democratic systems in the neighboring countries. It is impossible to create democracy for the Hungarians in a country where democracy does not exist for the majority. It is not only the Hungarians but all national minorities and the opposition that are oppressed in Romania and Serbia. We are interested in gaining allies for the cause of democratic change, and in helping the economic development of the Hungarians. [passage omitted]

[Lengyel] In the neighboring countries, nationalism has also "permeated" most opposition forces. Who do you rely on as potential allies?

[Szent-Ivanyi] Indeed, there are few truly democratic and liberal parties in most of the neighboring countries. However, the attainment of democracy begins with "small steps" and takes a long time.... If these countries can indeed take a big step toward democracy then we definitely have to support this. Stable democracies cannot be formed in a day or even a month. However, for example in Romania, there is a force in the framework of the Civic Alliance with which we can come to an understanding. We can also work together with other forces of the Democratic Convention. I could also mention presidential candidate Emil Constantinescu with whom we have not yet started talks because it would not be a professional act during the presidential campaign. However, we have a definite hope in him.... We must support the ideas and persons who are at least willing to reduce the burden on the Hungarians.

[Lengyel] Who do you see as your allies in Serbia—is it perhaps Mr. Nenad Canad and his social democrats?

[Szent-Ivanyi] Yes, that is correct, and we have already talked to him. We do not exclude links with other forces, either. Unfortunately, the Socialist Party of Serbia does not show any willingness to establish any kind of relations, although, as far as I know, the government and the president also made an attempt at this. We have also negotiated with Mr. Draskovic, chairman of the Serbian Renewal Movement, whose views are very far from ours, although he seems to have realized that the extreme nationalist traits of his former policy that were mainly directed against the Hungarians, are not adequate or useful, and they are even dangerous.

[Lengyel] What do you actually plan to do for the Hungarians living beyond the borders?

[Szent-Ivanyi] Contrary to other parties, we do not want to conduct campaigns among the Hungarians abroad. We do not want to convince them that we are nicer and better than other political formations. We are offering links that can be useful for them in education, training, and in the expression of opinion. We have invited their representatives to a number of our conferences and our representatives also regularly travel to the neighboring countries. We have so far refrained from trying to gain political control over any of their organizations and we will continue this policy. [passage omitted]

Economic Relations Established With Uzbekistan

LD1009213392 Warsaw PAP in English 1959 GMT 10 Sep 92

[Text] Warsaw, Sept. 10—Poland and Uzbekistan on Thursday [10 September] established direct economic and trade contacts, regulated by an agreement signed between the Ministries for Foreign Economic Relations of the two countries.

The agreement creates foundations for direct contacts between firms of the two countries, as well as establishing joint ventures, organizing consulting services, exhibitions and industrial fairs.

A protocol on trade relations between Poland and Uzbekistan is also being prepared. The problem of payments between the two countries still remains to be solved. The Polish side suggested to base them on the same principles as those in force between Poland and Russia, so that the payments for Polish products exported to Uzbekistan be regulated from funds deposited on a special account with the Polish Bank Handlowy.

Defense Official Views 'NATO-2' Concept

AU1109105692 Warsaw RZECZPOSPOLITA in Polish 8 Sep 92 p 3

[Interview with Jerzy Milewski, head of the Office of National Security at the Presidential Chancellery, by Maria Wagrowska; place and date not given: "Let Us Learn English, But We Had Better Not Forget Our Russian"]

[Text] [Wagrowska] Many people in Poland think that some of the changes in foreign and defense policy were made too late. For instance, they say that there was a chance for a faster pullout of Soviet forces from Poland, but it was wasted, and that Poland is too sluggish and inconsistent in its aim to join NATO. Do you think these views are justified?

[Milewski] Such views are the result of an impatience to "return to Europe," as it is commonly called, in other words a desire to join the ranks of the highly-developed European countries and attain the same material and political and security level as these countries. But when we examine things calmly and consider the real, instead of the imagined, domestic and foreign circumstances of Poland, it seems that it simply was not possible to introduce solutions to foreign and defense policy earlier or more comprehensively than we did. We took the first steps to regain our independence in August 1980. As we know, this process was halted for a while by martial law. Now we have the problem of adjusting our economy to a free market. We also have a recession and unemployment. This also results in a very much curtailed defense budget that barely permits our armed forces to survive.

Changes are taking place, though not as quickly as we would like. But unless we achieve considerable progress in implementing profound reforms, unless we adapt our standards to Western standards, and unless we achieve visible progress in bringing our standard of living in line with the standard of living in Western countries, we cannot join NATO. Not because our desire to join is insufficiently strong, or that successive governments have not tried hard enough to get us accepted, but because the NATO countries themselves will not want us. Once we have carried through the reforms and overcome the difficulties of the "communism to capitalism" transitional period, becoming a member of NATO will be a relatively straightforward formality. That is one of the chief strategic goals of our security policy. One must remember that we will be welcome in NATO to the extent that NATO reaps an advantage from our membership, and that membership will come about when Poland is properly prepared for it.

[Wagrowska] From what you say it looks as if Poland's membership in NATO depends directly on the country's economic condition and defense capability.

[Milewski] Certainly, for the point is to join NATO as a politically stable country with a defense capability and not be a burden to it. We must be economically integrated with the West and show that our relations with the East are good. I am sure we will never be accepted into NATO if we are in conflict with any other country. On the contrary, our trump card will be well-established cooperation with the countries of our region, as is the case within the "Visegrad Triangle." That is why we are concerned with making the most of the cooperation opportunities opened up by the treaties we have recently concluded with Ukraine, Byelarus, and Russia, which also cover military cooperation. The point is to eliminate the danger of local conflicts and base mutual relations with our eastern neighbors on a stable foundation.

[Wagrowska] But the very fact that we want military cooperation with Russia is being criticized.

[Milewski] Whether we like it or not, Russia has not ceased to be a great power, and it continues to be treated as such by the United States, Western Europe, and the whole world. We have to take this factor into account in our policies. As far as defense and security are concerned, there are two issues we want in our relations with Russian right now. The first is the pullout of their forces from Poland and, of course, from Germany, since both locations are interconnected. The second is to guarantee supplies of spare parts for our army and preserve a Russian market for our defense industry products. In addition, we must see to it that Russia does not interrupt deliveries of strategic raw materials, especially oil and gas. In these spheres, cooperation with Moscow is not only possible, but essential for us. However, the question of the pullout of foreign forces from Poland—formerly Soviet and now Russian—is an irritating and protracted one, and I make no secret of the fact that it is enshrouded in a certain myth. The haste with which the Moscow authorities are conducting this operation is irritating, as is the fact that the Russian forces are leaving behind

devastated barracks and a polluted environment. However, I dismiss the idea that Poland's first democratic governments—that of Tadeusz Mazowiecki and Jan Krzysztof Bielecki— could have speeded up this process. After all, the Russians very much resisted pulling out their forces from Poland, much more so than in the case of Czechoslovakia, Hungary, and Germany, and we could hardly throw them out by force because we do not have enough strength. Only the failed "putsch" last year and the disintegration of the USSR provided us with the possibility of compelling Russia to conclude an agreement on the pullout.

On a completely different foundation rests our aim to expand comprehensive cooperation with other Central and East European countries. None of these countries pose a threat to us, nor are there any disputes between us. With these countries we are merely concerned with purely voluntary cooperation, including military cooperation between equal partners, and mutual advantages. We have already concluded the appropriate agreements with Ukraine and Byelarus, but we have not yet managed to develop this cooperation. For the time being preparations are under way that should shortly lead to the conclusion of suitable agreements, first with Ukraine and Latvia, and then with the other countries.

Economic, political, and defense integration with the West is Poland's strategic goal, but we also want a Euro-Atlantic system of security to develop. This system would include not only us and the "Visegrad Triangle," but also other countries, in other words the Baltics, Ukraine, Belarus, Bulgaria, Romania...

[Wagrowska] And Russia?

[Milewski] As long as Russia aspires to lead the world, harbors global security interests, and retains its tsarist imperial policy, it cannot join this system. However, if things in Russia change for the better, Russia's membership of the Euro-Atlantic security system can be considered.

[Wagrowska] Is the Belweder's [presidential residence] concept of a "NATO-2" still valid?

[Milewski] Yes. The president's idea of a "NATO-2" is still valid, because the need for such a system has not diminished. The point is that the new independent countries created after the collapse of the USSR should not be left isolated and forced to rely on their own defense resources. That would be the purpose of the new international structure that Walesa calls "NATO-2."

Most of these countries want to join NATO, but there is no chance of that right now. Therefore, one can exploit this joint desire to join NATO and talk these countries into concluding—under the auspices of and with the help of NATO—an accord in which they would commit themselves not to make any territorial claims against each other, not to threaten each other with force, transfer their entire mass weapons arsenal to NATO control, and undertake joint, premeditated action to stop any country that violates any terms of this agreement.

NATO's patronage over this accord could prevent the impression that "NATO-2" is merely a repetition of the Warsaw Pact and dispel fears of Russia's imperial hegemony. An effective functioning of this accord could increase the security of each country, and the whole of Eastern Europe, and would bring their desired membership in NATO closer.

[Wagrowska] I think the effectiveness of any actions supervised by international bodies is questionable. The Yugoslav crisis is an example. However, I have a few questions about the "NATO-2" concept itself. First of all, has it been discussed with the countries that would eventually become members in it?

[Milewski] Yes, the idea was presented to politicians and heads of government, though there was never any clear response. However, one can consider the "Visegrad Triangle" and numerous other treaties with countries in our region to be the beginning of a "NATO-2" accord. If the "Visegrad Triangle" were to turn into a "Visegrad Quadrilateral" without any upheaval, that would be a success that would augur well for broader cooperation. Ukraine and the Baltics are interested in cooperation with the "Triangle."

[Wagrowska] But does "NATO-2" conform to Poland's interests and those of our southern neighbors? After all, NATO, the EC, and the WEU, as well as individual member countries of these alliances, differentiate between us and other countries in Central and Eastern Europe, thanks to which Poland is being accepted faster than the other countries.

[Milewski] It is true we can become members faster than the other countries, especially because the others are still struggling for full sovereignty. But first, it is in the interests of all of us to see the creation of a single Euro-Atlantic system of security, and second, Poland's engagement in the creation of an alternative and provisional "NATO-2" alliance would increase our chances of joining NATO more quickly. Therefore, we have nothing to lose, and a lot to gain.

[Wagrowska] You mentioned "NATO auspices," but we are already under the auspices of another organization, namely the North Atlantic Cooperation Council. In addition, the CSCE links countries from Vancouver to Vladivostok; in other words it covers the same area that the Euro-Atlantic security system would cover.

[Milewski] These alliances are not enough because they are passive, as one can see in the case of Yugoslavia or Nagorno-Karabakh. What we want is the formation of active mechanisms genuinely capable of preventing an open conflict or dispelling tension. Particularly necessary is a mechanism to quell the conflicts that have already erupted. The North Atlantic Cooperation Council is a symbolic structure of little practical significance. The CSCE could be restructured to perform a

more energetic peacekeeping role, and perhaps enforce cease-fires, too. For this purpose, the CSCE would have to be equipped with an international armed force that would have the authority to do battle with a specified opponent. This idea was announced some time ago and received a positive assessment, but it has still not been put into practice.

[Wagrowska] How does this idea compare to another Belweder idea—the formation of European armed forces?

[Milewski] The president's proposal is aimed at creating such forces, under the auspices of the CSCE or NATO, bu. consisting of military units from Western and Eastern Europe. Like I said, these forces would be used to quell open conflicts. UN forces cannot carry out such tasks.

[Wagrowska] From all you have said, it seems that the Polish Army should be more "compatible" with NATO armed forces.

[Milewski] "Compatible" is a piece of computer jargon. The organization and equipment of the army of one NATO country differs markedly from that of the army of another NATO country, and no one is trying to unify these armies. Therefore, there is no purpose in the Polish Army adopting some Western pattern. The Polish Army must be operative, well trained, capable of undertaking various types and scales of battle. It must be prepared mainly to defend Polish territory against an aggressor and act jointly with other armed forces. It must have weapons and equipment that are as up-to-date as possible. Our army should be dispersed equally all over the country, and its numerical strength in peacetime should be relatively low, approximately half a percent of the country's population [35 million]. The selection and training system should guarantee an adequate number of reservists, so that in time of war or in case of danger it is possible to mobilize an army four times its peacetime size.

The Polish Army cannot be completely professional, because it would be too expensive to maintain large reserves. Basic military service should be relatively brief, either 10 or 12 months, but it should be intensive and compulsory. These are priorities. Our soldiers must also have the possibility to communicate with their colleagues, literally and figuratively. Therefore, they should learn English and not forget their Russian.

No Intelligence Exchange With Russians Since 1956

LD1009211692 Warsaw PAP in English 1747 GMT 10 Sep 92

[Text] Warsaw, Sept. 10—Since 1956 Polish Military Intelligence has been neither subordinated to the then Soviet Secret Service nor passed any operational information to it, Defence Ministry Spokesman Leszek Ziolo announced on Thursday [10 September], referring to press reports which claimed the reverse had been true.

He said that the Military Intelligence or "Department II", later renamed "Board II" of the General Staff of the Polish Army had been, until 1956, under command of the Red Army officers, thus being informally subordinated, controlled and subjected to surveillance and eventually persecuted by the Soviet military services.

This informal cooperation ceased after 1956 when the Soviets had left Polish Army. There was neither exchange of information nor operational ties between the Polish and Soviet intelligence departments.

There had been however an official exchange of information between the Warsaw Pact members on the foreign armed forces and their military hardware, this cooperation did not include secret information gathered by the military intelligence. It was discontinued by Poland in November 1990, the spokesman said.

Russian Troop Withdrawals on Schedule

LD1009210992 Warsaw PAP in English 1712 GMT 10 Sep 92

[Text] Warsaw, Sept. 10—A programme of the withdrawal of the Russian Federation troops from the Polish territory runs according to agreed timetable, spokesman for the Government's Plenipotentiary for Monitoring the Russian Federation Troops' Stay in Poland Stefan Golebiowski said on Thursday [10 September].

Some 10,000 Russian troops are still staying in Poland after 2,350 soldiers were withdrawn from the country in August. There is also some military hardware left, including 63 armoured vehicles, 3 anti-aircraft guns, over 5,000 vehicles, four cargo planes and 2 helicopters but there are no tanks and combat aircrafts, Golebiowski announced.

The Russian troops vacated over 800 facilities on over 44,000 hectares of land. Six garrisons and three military ranges were also made available for inspection by the Polish units. All these places were declared safe.

The Government's Plenipotentiary for Monitoring the Stationing of the Russian Federation Troops in Poland Zdzislaw Ostrowski said that there are some 7,000 facilities to be taken over. "There is demand for abandoned buildings, but we have biggest problems with barracks, warehouses, depots and airfields. Polish Armed Forces do not want to take them over because they are relocated to the east," he added.

The operation is carried out without incidents. This is largely due to the fact that newly appointed commander of the Russian troops in Poland Gen. Leonid Kovalov gained experience, the plenipotentiary contended.

Inter-Union Committee To Participate in Talks

LD1009202992 Warsaw PAP in English 2004 GMT 10 Sep 92

[Text] Warsaw, Sept. 10—The Inter-Union National Negotiating and Strike Committee (MKKNS which includes Solidarity 80 and the OPZZ [All-Polish Trade Unions Agreement]) issued a statement following its meeting on Thursday [10 September] announcing the committee's readiness to take part in talks "on the basis of equal rights for the proposals of the government side and the unions participating in the negotiations".

This was a reply to a government proposal to the unions concerning changes in state enterprises.

Statistics for First Seven Months Assessed

PM1009132892 Poznan GAZETA POZNANSKA in Polish 1 Sep 92 p 10

[Anna Wolk article: "The Good Times—Increasingly Elusive"]

[Text] The Central Planning Administration [CUP] has provided journalists with a document supplying a ready-made assessment of positive and negative trends and phenomena in our economy. We must assume they knew what they were doing. Otherwise we might all err grievously and mistake the positive for the negative.

Take, for example, the area of wages. According to CUP, things are going from good to better there. Over the past two months, wages rose by several percent in six basic sectors of the economy. The CUP omits to say what happened to wages in the "nonbasic" sectors. This suggests that what did happen was not good news. Moreover, the situation in the sectors where the news was "good" is, in any case, worse than it was last year. Real wages actually fell by 4.3 percent over the first seven months of the year. Quite obviously, this puts the alleged success of the economy in question. Furthermore, we already know that wages will fall again in the coming months. The recent increases in energy and food prices will cause inflation to rise above the level of the past two months (about 1.5 percent per month). Consequently, living standards will fall again for the majority of the population.

In addition, the CUP claim that "the growth tendency in industrial production is being maintained" is hardly convincing, either. True, Polish producers are selling more of their goods than before (9.6 percent more in July), but this is because the proportion of imported goods has decreased. The majority of enterprises are in a poor financial condition. The so-called enterprise profitability index is steadily decreasing (from 4.8 percent at the end of last year, through 3.5 percent after the first quarter of this year, to 3.3 percent after the first six months).

Manufacturers of consumer goods still see their future in black hues—an attitude that is attested to by the decreasing investment expenditure in the consumer manufacturing industry. Compared with last year, large and medium-size enterprises invested over 1.5 percent less in their development, and it should be pointed out that even last year their level of investment was dramatically low. Unfortunately, everyone knows that we have no hope of competing successfully against our foreign rivals unless our industry is thoroughly modernized. Or rather, we could still try to compete with them by creating formal and financial barriers to foreign imports, but if we do that, we will never make true our favorite dream of catching up with Europe.

The situation in housing construction has reached rock bottom. In July the number of homes completed and handed over to new owners by the construction sector totaled only two-thirds of those completed in July of last year, while the number of homes handed over last June was 20 percent lower than in June of the previous year. A simple calculation will show that the number of homes built by the sector in these two summer months was only half of those built in a comparable period of last year. The coming months will bring us even worse figures, as is already evident from the number of homes currently under construction. The absurdity of the situation lies in the fact that the number of new homes awaiting purchase will appear not to have fallen, since there will be more new homes than potential buyers. After the Sejm and Senate reversed their earlier decision and withdrew the legislation introducing cheap housing loans, home purchase became a luxury beyond the financial possibilities of the majority of the public. On the other hand, those who have the money are interested in buying luxury villas rather than apartments in high rise blocks. Furthermore, there are no reasons to believe that the collapse of the house construction industry could be at least halted, if not averted.

It was hoped that the actual turnout of new homes would rise despite the collapse of the house construction industry because of activity in the buildings restoration and adaptation sector. It was indeed so at the beginning of the year. However, in the past two months the sector failed to reach even its output levels from a year before. It is certain that this downward tendency will continue in the future.

The only statistic that has shown an impressive rise during the past months is the unemployment index. At the end of July the number of registered unemployed was over 2.4 million. Moreover, not all unemployed have registered their status in the relevant offices since the principles of awarding unemployment benefits were changed. In any case, the number of registered unemployed at the end of July was higher than in June (by more than 112,000) and in December (by more than a quarter of a million). One-fourth of all unemployed are without work owing to so-called group layoffs—that is, because their enterprises either reduced their planned output or were liquidated. A year ago this index was

lower by several percent. This provides yet another indication of the lamentable condition of our industry. To make matters worse, information coming in from enterprises shows that we should expect a further swell in the current wave of unemployment.

On the whole, the CUP avoids passing too many comments or forecasts for the future in the report issued to journalists. There is, however, one exception: It predicts that, because of the current drought, the harvest may yield less grain and other crops than estimated in mid-July. This means that the production of animal feeds will fall accordingly, and as a result the hog, cattle, and poultry population will have to be reduced. There is no mention in the report of the inevitable consequence of such a development, that is, a series of rapid price increases. In due time, we will all see this consequence for ourselves through our reduced buying capacity, anyway.

Thus, compared with what lies ahead of us, we could indeed judge the first seven months of the year as successful. The trouble is that this assessment is hardly cheering or satisfying. As it is, the desired condition that could—objectively—be deemed "good" appears to be receding into an increasingly unspecified future.

Bishop Tokes 'Suspends' Hunger Strike

AU1109105492 Bucharest Radio Romania Network in Romanian 1000 GMT 11 Sep 92

[Text] Present at the news conference given in Timisoara this morning by Bishop Laszlo Tokes, our correspondent Vasile Emanuil recorded the following statement:

[Begin Tokes recording] The goal of my action was obvious, clear, and of a strictly moral nature: I wanted to radically draw the attention of the country's population—used to resignation and compromises—to the persistent and active social injustice in the post-revolutionary period and to the need to bring to justice all those responsible for the recent crimes and violence. With a few exceptions, we still do not know today who were the promoters and those responsible for the bloody events of December 1989, March and June 1990, and September 1991. I wanted to bring these matters to the attention of society in order to arouse the benumbed social awareness and the desire for truth. In view of the fact that the current power does not want to and cannot do justice in the matter of these crimes and violations that it has deliberately shrouded in mystery; aware of the danger that the nationalist-communist forces may capitalize on my action—designed to bring out the truth—for diversionist purposes against democracy; and out of a desire to contribute to establishing a favorable climate for the coming elections, I have decided to suspend my hunger strike as of today, 11 September 1992. [end recording]

That was an excerpt of Bishop Laszlo Tokes' statement this morning.

Constantinescu Visits Brasov, Discusses Monarchy

92P20397B Bucharest TINERETUL LIBER in Romanian 28 Aug 92 pp 1-2

[Article by Alexandru Balan: "Emil Constantinescu: 'We Will Direct All Our Efforts to Winning the Presidency on the First Ballot'"]

[Text] After officially declaring his candidacy for the presidency, Emil Constantinescu campaigned in Brasov on Tuesday. He was received with enthusiasm and hope by tens of thousands of Brasov residents. Two years ago, Ion Ratiu had a hard time addressing his supporters and was boycotted by almost all the institutions of the city that were under the influence of Mr. Iliescu and his National Salvation Front. Now, the mayor's office is under the control of the Democratic Convention [CD] and many other citizens have better feelings. During a big meeting held in Council Square, Ion Ratiu stood alongside the presidential candidate and was warmly received by the attendees. The prefect's office has remained the last refuge of the conservative spirit of 20 May 1990. Indeed, Emil Constantinescu's visit to Brasov took place against the backdrop of smoldering tension between the mayor's office and the prefect's office. At the press conference organized Tuesday evening, the first questions referred to the conversations that Emil Constantinescu had with Gheorghe Fulga, former presidential counselor who is currently the prefect.

We noted the following statements by Constantinescu from his press conference on this occasion: There is a rather serious fluidity of political options in Romania but there are also some notable constants. What is clear and noted by all public opinion polls is that 35 percent are for the CD. This is a starting point. At the same time, all the polls show that there is a large number of undecided. The election campaign in Romania, like in other countries, is aimed at these undecided. It is my conviction that before the elections, the CD will increase the number of our voters by as much as 50 percent. All efforts will be directed toward winning the presidency on the first ballot. The agricultural reform was deliberately sabotaged in order to disappoint the peasants, to make them give the land back, so that the old agricultural production cooperatives—a type of organization that has been compromised throughout the world—could be set up again. At the Republican Party convention in the United States, Romania was the only country from which the opposition was invited. Discussions took place with the vice president and the secretary of state. As an economic option, I am in favor of a social market economy.

Emil Constantinescu was asked to respond to the following questions:

[TINERETUL LIBER] If you are elected president, will you be the president who clears the way for the restoration of the monarchy, or will you be the founder of the first Romanian republic?

[Constantinescu] This will not be a matter for the president; it will be a matter for the nation. I said at the beginning that I am submitting myself to only two courts: the law and the interest of the nation. The message written between the lines of your uestion is well-known. Each time, I have repeated that my position is extremely clear. It is the same position that has not changed in the two months since I presented it to the CD steering board. Romania, as you pointed out, has not had a republican tradition, if we do not take the republic of Ploiesti into consideration. In Romania, the republic has been associated either with communist or crypto-communist regimes, such as the one we have now. The great history of Romania has been linked with the monarchy. The abolition of the monarchy was carried out in an illegitimate fashion, illegally, and in opposition to the will of the people in 1947. In the 45 years since then there have been transformations in the social sphere, in the political sphere, and in outlook. Three generations have been born and raised. At the same time, there has been an extremely active propaganda effort against the monarchy. Therefore, I do not believe that it is possible to reinstate the monarchy as it was on 30 December 1947. I believe that, in the interest of this

institution, it is necessary, first of all, that our true history, not distorted as it has been, be reestablished and recovered. I will swear on the Constitution, which stipulates that there will be a republican form of government and I will respect it until the time that another parliament, resulting from other elections that reflects a different political-social reality, will decide whether or not to modify the Constitution. The idea that, once a constitution is drafted, it is good forever is typically communist arrogance. If this constitution were to be amended, the people could be consulted, by means of a referendum. Respecting the law and the will of the nation, I will submit myself to the them.

[TINERETUL LIBER] Wouldn't this be too late, considering the age of King Michael?

[Constantinescu] This is the only procedure. The process of transforming outlooks is progressing at an incredible speed. I am an optimist in regard to the capacity of the Romanian people and the Romanian nation to rediscover their history, to rediscover the truth, and to develop correctly. If I did not believe this, I would not be here, because I cannot remain in a country whose people, as others have been, are despised. I believe that, under conditions in which there is real freedom, and I am referring to the principal vector of the mass media, television, this transformation will be produced rapidly.

Budget Directorate Chief Discusses State Revenues

AU0809050292 Bucharest ROMPRES in English 1306 GMT 7 Sep 92

[Text] Bucharest, ROMPRES, 7/9/1992—The state budget revenues, amounting to 679.4 billion lei in the first seven months of 1992, were roughly 36 billion lei (5.6 per cent) smaller than envisaged by the provisions for the said interval, the director-general of the Directorate for the Execution of the National Public Budget, Nicolae Constantinescu, pointed out.

Annual provisions for earnings from turnover taxes were not fulfilled in a proportion of 42.5 per cent. As a result of the decline of industrial production, the drop in the volume of sold commodities, the substantial rise in stocks and the financial blockage in the economy, the weight of turnover taxes and excises in the total state budget revenues diminished considerably—from 41.1 per cent in the first seven months of 1991 to 32 per cent in the same period this year. The dividends for the state, as shareholder in commercial companies with state capital, accounted for 56.1 per cent of annual provisions in 1991. Noteworthy in the structure of the state budget revenues is the greater weight of profit taxes, which increased from 18.5 per cent in the first seven months of 1991 to 23.9 per cent in the same period of 1992. As economic activities declined, this situation is justified by the economic agents' tendency to boost prices with a view to pushing the profit rate higher. At the same time, there is a large weight of salary taxes—30.4 per cent of the total state budget revenues, which is explained by the rise in salaries following their negotiation and indexation.

As for state budget spending (758.7 billion lei), they were marked by the rise in the weight of spending for economic activities—from 32.1 per cent over January 1-July 31, 1991 to 39.9 per cent in the same period of 1992. The rise was determined by the need to cover price and tariff differences on products and services for the population. This situation led to a drop in the weight of spending for socio-cultural purposes and of national defense spending in the total state budget spending—from 36.7 per cent and, respectively, 15.3 per cent in 1991 to 29.8 per cent and, respectively, 12.9 per cent in 1992. Also as a consequence of the aforesaid situation, material and capital spending stood below the strictly necessary limits in a number of areas of activity. An important weight in total spending for economic activities, which stand at 303.1 billion lei, is held by subsidies for the activity of a number of autonomous units, as well as price and tariff differences for which budget credits were opened (allocations from the budget without interest, that do not have to be paid back) worth 145.7 billion lei, a figure that accounts for 42.7 per cent of the annual provisions for this type of allocations. At the same time, the weight increased of the transfers to the local budgets, the transferred amounts standing at 76 billion lei, that is 86.3 per cent of annual provisions. They were used to carry through social protection measures, that is to back the prices for thermal power and monthly travel cars.

Owen, Vance Arrive in Sarajevo for Talks

AU1009193492 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 10 Sep 92

[Risto Djogo report from Sarajevo]

[Excerpt] Lord Owen and Cyrus Vance, cochairmen of the Conference on Yugoslavia, arrived in Sarajevo this afternoon. Under strict security they first visited the Presidency of the Republic of Bosnia-Hercegovina, where they met with a delegation led by Alija Izetbegovic. Vance and Owen insisted on talks alone with Izetbegovic, so other members of the rump presidency were present only at the initial photo session. The details of the talks are not known.

After their talks with Izetbegovic, Vance and Owen began talks with Radovan Karadzic, president of the Presidency of the Serb Republic, at about 1700. The meeting was held in Lukavica.

Just when Vance and Owen were expected to arrive, Muslim forces from Butmir carried out a fierce artillery and infantry attack on Ilidza and Nedjarici. After a three-hour exchange of fire, Serbian fighters successfully repelled the attack and pushed the Muslim forces back to their initial positions. In this way, they convincingly disproved the news that has been spread all day today by the Muslim-controlled Bosnia-Hercegovina radio—namely, that Nedjarici District was taken. According to Serbian sources, not a single inch of Serbian Nedjarici is under Muslim control. This is simply a psychological ploy. After all, the very same media have recently been spreading the news that Vojkovici and Ilidza were taken as well. [passage omitted]

Izetbegovic Terms Talks 'Interesting'

AU1009194292 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1700 GMT 10 Sep 92

[News conference by Alija Izetbegovic, president of the Presidency of Bosnia-Hercegovina; Lord Owen, president of the EC Conference on Yugoslavia; and Cyrus Vance, UN special envoy on Yugoslavia, in Sarajevo on 10 September—recorded]

[Excerpt] [passage omitted] [Izetbegovic] We covered a lot of topics during this relatively short conversation—one and a quarter hours—which is all the time Messrs. Vance and Owen had available. We had the pleasure of a very interesting conversation. Messrs. Vance and Owen demanded that we continue talks in Geneva, and I promised that a government-level delegation would go to Geneva, but it would clearly present the views of a democratic, secular Bosnia that will not be divided along ethnic lines. That is our position in Geneva, and we will not and cannot change our position.

We talked about the general situation, about the opening of corridors for humanitarian aid. We proposed that it is the corridors that should be protected, not the convoys. We think that normal life—the normalization of life as far as is possible—could be facilitated in Bosnia-Hercegovina in that way. We also talked about the concentration of heavy artillery and putting it under control. We came up with the idea that artillery and ammunition should be separated, as a security measure against that artillery being used.

Then we criticized the delay in the process, and the answer we got was that a lot has been done during the last two weeks—since the London conference—that many things could not be seen, but a lot had been done. That is what Lord Owen said, and we should believe him.

Of course, we brought up the question of the control of airspace over Bosnia-Hercegovina; the arrival of observers in several locations in Bosnia-Hercegovina, as the first step; and the control of borders, both between Bosnia-Hercegovina on one side and Serbia and Montenegro on the other. [sentence as heard] We found out that there would be control over a series of airports in Bosnia-Hercegovina, and also in Serbia and Montenegro, where planes take off for their combat flights.

Finally—unless I have forgotten something—you asked me about the use of inhuman means, depriving people of water and electricity in this war. We told the other side that water and electricity should not be used as military means, otherwise we will have to use—and we said this very clearly—military means to secure electricity and water for this city. If we have to do so by military means, then we will.

That would be it, with one remark: The conversation was very pleasant, and we are glad that we had the opportunity to see our old acquaintance, Mr. Vance, and our new acquaintance, Lord Owen.

[Unidentified reporter] Mr. President, did you talk about concrete dates for doing something more substantial about these agreements?

[Izetbegovic] Of course, we talked about it, and we got the following answer: Everything will be done as urgently as possible. Unfortunately, the procedure is sometimes a bit slow for our concept of time here, for our level of urgency. No concrete dates were mentioned, except the general idea that everything will be done as urgently as possible.

As for the arrival of the observers, that is a long process. A number of UN troops, this increased number, will probably arrive very soon, while the arrival of the complete contingent, which the Security Council probably will discuss tonight or tomorrow, can be expected in about a month—that is the whole lot of them. A number of them could come fairly quickly, however.

[Reporter] Was the date 12 September brought up?

[Izetbegovic] Yes, they are going to talk to the other side now. In particular, we warned that despite the fact that the concentration of heavy artillery around Sarajevo and some other places should have been completed today, we had over 1,000 shells plummeting onto the city, counting

the area from Stari Grad to Ilidza, last night. Over 1,000 shells! We said that we did not place much trust in that, that additional measures and guarantees would be needed to force the fulfillment of such promises. [passage omitted]

Vance, Owen Depart

AU1009205592 Belgrade Radio Beograd Network in Serbo-Croatian 2000 GMT 10 Sep 92

[Risto Djogo report]

[Excerpts] The cochairmen of the Conference on Yugoslavia, Cyrus Vance and Lord Owen, finished their visit to Sarajevo in the afternoon hours. They held separate meetings with Alija Izetbegovic, president of the Presidency of the Republic of Bosnia-Hercegovina, and Radovan Karadzic, president of the Presidency of the Serb Republic.

In brief meetings with reporters after the talks, Lord Owen stressed: We talked about the general situation, primarily about talks and negotiations, about the continuation of the working groups' activities in Geneva. I can say that after talking to Mate Boban, Alija Izetbegovic, and Radovan Karadzic, the meeting of the working groups in Geneva is certain; it may even be held at the end of next week. Before that, we had assurances from all three sides that, under UNPROFOR [UN Protection Force] auspices, there would be talks about solving the problem of water and electricity supplies. Since Mr. Vance and I have seen for ourselves the unbearable conditions in which Sarajevo hospital patients find themselves, we have arranged with Mr. Karadzic to have certain international agencies directly involved in repairing the destroyed infrastructure, Lord Owen stressed. Talks will be held before the Geneva meeting. Mr. Karadzic assured us that heavy artillery would be placed under UNPROFOR control.

Asked by the reporters whether he believed in the London conference, Lord Owen said that a framework for further talks was set up in London—a framework for finding a political compromise and principles was set up that will not tolerate territories gained by force or the conduct of ethnic cleansing—and that the warring sides will sit at the negotiating table and agree on all disputed issues. The London decisions will continue to be the starting point for all future talks, and I would like to stress that there will be talks not only on achieving a cease-fire, but on more complex and important issues that will bring about a solution to the conflict through political means, Lord Owen said to the reporters.

Cyrus Vance was very brief. There have been important steps forward in the last 48 hours, he said. You can rest assured that the upcoming talks in Geneva will be held in an optimal working atmosphere since we believe that this is the only way the present problems—that is, this conflict—can be solved, Vance stressed.

Radovan Karadzic expressed his satisfaction with his meeting with Owen and Vance. He stressed that the Serbian side complied with all that had been agreed on in London, and that he hoped that international factors would force the Muslim side to sit at the negotiating table. [passage omitted]

As was reported, Vance and Owen departed by plane from Sarajevo airport in the late afternoon hours.

Karadzic: Artillery 'Ready' for UN Observers

LD1009215792 Belgrade TANJUG Domestic Service in Serbo-Croatian 1945 GMT 10 Sep 92

[Text] Belgrade, 10 Sep (TANJUG)—The Serbian side confirmed its support for the London conference and for the continuation of work in Geneva by groups of experts, Radovan Karadzic, president of the Presidency of the Serb Republic, told TANJUG in a telephone statement this evening after talks with Cyrus Vance and Lord Owen, cochairmen of the Conference on Yugoslavia, and their colleagues.

The cochairmen of the Conference on Yugoslavia were given confirmation that since noon [1000 GMT] today, the Serbian artillery positions around Sarajevo, Jajce, and Bihac have been ready to receive UN observers, Karadzic stressed.

"We agreed with the assessment that no side in the conflict should manipulate water and electricity supplies to citizens, and accepted that one of the UN agencies, perhaps UNICEF, should assume charge of this," Karadzic added. The leader of the Bosnian Serbs also noted their readiness to close down prisons with POW's, but said that this should be done gradually and safely for the prisoners.

It was agreed with Vance and Owen that the conference should begin in Geneva on 18 September, and that the Serbian side will be represented at the highest level, Karadzic said, adding that the Serbian side asked that the conference work without lengthy breaks.

In the talks, Karadzic informed the parties that the Republic of Croatia and Muslims in Bosnia-Hercegovina are violating the embargo on imports of weapons and that the Islamic factor is involved in the war in Bosnia-Hercegovina. "We are concerned about the fact that the sanctions are being tightened, although the Serbs are doing their best for them to be lifted," Karadzic stressed, adding that this is threatening the entire peace package and the position of the federal government. He added that it was explained to him that the sanctions are not being tightened, but that they are being more closely controlled.

"I had the pleasure of once again meeting Mr. Cyrus Vance, for whom the Serbian side has high regard, as well as coming into contact for the first time with Lord Owen and the mediator of the expert group from Bosnia-Hercegovina," Radovan Karadzic concluded.

Temporary Cease-fire Agreement Reached

LD1109024792 Belgrade TANJUG in English 2242 GMT 10 Sep 92

[Text] Paris, September 10 (TANJUG)—The warring sides in Bosnia-Hercegovina have reached agreement on a temporary cease-fire through the mediation of co-presidents of the Geneva Conference on Yugoslovia Cyrus Vance and Lord Owen, the French Defense Ministry said on Thursday [10 September] evening. The statement did not give any details about the cease-fire, news agencies reported.

Vance and Lord Owen met with leaders of Bosnian Muslims, Croats, and Serbs in Sarajevo on Thursday.

Foreign Minister Denies Islamic Arms Shipments

LD1009180492 Tehran IRNA in English 1715 GMT 10 Sep 92

[Excerpts] Zagreb, Sept. 10, IRNA—Foreign Minister of Bosnia-Hercegovina, Haris Silajdzic, in an exclusive interview to IRNA here Thursday [10 September], categorically denied that Islamic countries, including the Islamic Republic of Iran, were sending weapons to Muslim fighters in Bosnia.

A Croatian Foreign Ministry statement today alleged that the authorities at Zagreb airport had seized "a certain amount of light infantry weapons" on board an Iranian Boeing 747 last Friday. [passage omitted]

"We have asked the members of the organization of Islamic countries to channel all their potential through the Security Council," Silajdzic said.

The Islamic countries, however, have helped Bosnia financially, the minister added. "We expect a packet of aid to be collected for Bosnia-Hercegovina in Saudi Arabia, while talks on help from Kuwait are under way." "We have received 13 million dollars from Pakistan", Silajdzic told IRNA, "and are negotiating oil deliveries via Croatia with the Iranian Government."

Silajdzic dismissed reports that Muslim mojahedin were involved in the war in Bosnia-Hercegovina as "pure lies and Serbian propaganda."

Asked what the Islamic countries could do to reduce pressure from Serbian aggression on Muslims in Bosnia, Silajdzic said: "We need about 1.6 billion dollars to save Bosnia-Hercegovina, service vital functions and keep ourselves alive. Any kind of help in this direction would be welcome."

Attempted 'Ambush' During POW Exchange Alleged

LD1109102192 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 2000 GMT 10 Sep 92

[Text] Yesterday, an exchange of 450 chetniks for fighters of the Armed Forces of Bosnia-Hercegovina was supposed to take place in Kobiljaca. Lists were drawn up, but the chetniks—with the help of the Kiseljak HVO [Croatian Defense Council]—tried to trick them. UNPROFOR [UN Protection Forces] members were just silent observers in this situation. On this occasion, Kiseljak HVO members tried to disarm the members of the Armed Forces of Bosnia-Hercegovina and the chetniks brought women and children for the exchange instead of the names on the list. Immediately after the meeting between the Armed Forces of Bosnia-Hercegovina and the chetniks, the UNPROFOR forces pulled out and left our soldiers surrounded by some 100 chetniks. When they saw that this was a trick and an ambush, the Bosnia-Hercegovina forces—with help from Konjic military police and Tarcin police—successfully pulled out of the encirclement together with all 450 prisoners. On this occasion, the chetniks tried to capture the president of the state commission for the exchange of POW's from Konjic, which is another one of their attempts to achieve their goals by deceit.

Presidency Protests Croatian Activities in Prozor

LD1009224992 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 2000 GMT 10 Sep 92

[Text] The Presidency of Bosnia-Hercegovina stated that it is alarmed by reports from Prozor [municipality in central Bosnia, part of the Bosnian Croat community of Herceg-Bosnia] of official documents, stamps, and flags without the state insignia of the Republic of Bosnia-Hercegovina.

Also, despite the decisions of competent republic authorities, in Prozor they are trying to import the school programs and books for elementary and high schools from the neighboring state of Croatia. The statement says that the Presidency of Bosnia-Hercegovina will continue to resist all unilateral decisions that are not in accordance with the measures of the competent authorities of the Republic of Bosnia-Hercegovina. The fact that the HVO [Croatian Defense Council] is trying to mask these activities while in reality implementing the laws of the para-state community of the so-called Herceg-Bosnia will not make us abandon our course, the statement of the Bosnia-Hercegovina Presidency says.

Life, Ideas of Herceg-Bosnia Leader Boban

92BA1385C Zagreb NOVI DANAS in Serbo-Croatian 24 Aug 92 pp 24-25

[Article by Vjekoslav Magas: "Leader From Grude"—first paragraph is NOVI DANAS introduction]

[Text] With his classic autocratic manner, Boban has already killed off several sets of subordinates.

In the general flood of fashionable Croatian awareness, many newly composed Croats are in a situation of adapting, in Orwellian fashion, their own past—and most often their not exactly irreproachable political pedigree—to the new needs of the moment. When the

facts are too obstinate, then they usually make up for this through misplaced radicalism, whereby they do more harm than good to the basic idea, just as they did to the one they used previously, unscrupulously discarding it according to the dictates of fashionable trends and personal advantage. People without moral integrity and the force of convictions feverishly glean the wreckage of their life's compromises while promoting the criminal deeds of their past to the status of high moral actions, because they were ostensibly performing the destructive job of bringing down the odious old regime. On the other hand, to the authorities, who in their uncertainty and panic are afraid of free thinkers, individuals with blemishes in their past are much more suitable for various types of manipulation, and often blackmail as well, than are people who favor the authenticity of their own stance over unquestioning submission to authority. The case of Mate Boban, the possible prime minister of Bosnia-Hercegovina [B-H], is very illustrative in this regard.

Mate Boban was born on 12 February 1940 in the village of Sovici, near Grude, in a family of five brothers and two sisters. He completed high school in Djakovo and graduated from the College of Economics in Zagreb. He married heiress Ljuba Peic, and his first job was at the shipyard in Korcula. In 1966, he became director of the Napredak work organization in Imotski, where he stayed for several terms of office. He does not speak a word of any foreign language. But if someone says that he pulled down communism from within, then Mate Boban has real corroboration for that claim. Specifically, he became a member of the CPY [Communist Party of Yugoslavia] at age 18. One of his brothers served in the JNA [Yugoslav People's Army], while another held the post of police commander. During his turbulent life, he has been in close contact with important representatives of that very regime, such as Aco Kasic, the director of the Zora housing cooperative; Tito Kirigin, the all-powerful president of Hajduk and director of Bobis in Split; Mate Ujevic, the gray eminence of the Imotski border region, where he was remembered for his wrongdoings; and a certain Bradica, the administrator of the prison in which Boban himself was locked up. Moreover, it is said of Kasic that his father was buried in a Chetnik uniform, while he himself took a massive commission for his services in positions of power. Furthermore, of Tito Kirigin it is known that in 1944, under party orders, he liquidated a prominent young HSS [Croatian Independent Party] member, Vojko Krstulovic. Mate Boban's entire life has been strewn with affairs and scandals, from amorous ones to economic and judicial ones. It seems that this image of his will not be undermined by his political activities either.

Following the bogus decision to form a Croatian Community of Herceg-Bosnia, the first publication from Boban's "banana republic" did not even mention the internationally recognized Bosnia-Hercegovina, nor the titles of official acts, only for this to be introduced, under pressure from political reality, in all public documents, which is a sign of the unmistakable retreat of Croatian policy in the resolution of the Bosnian problem. Few people dare to even comment on the damage thus inflicted on the Croatian cause, because no one is allowed to question the impeccability of the protagonists of this policy. One of the most serious "outrages" in this regard was committed by Vlado Gotovac, whose is quite familiar with the acrobatics of Boban's life, at the preelection assemblies of the HSLS [Croatian Social-Liberal Alliance]. Thus, in Sibenik, Gotovac said literally, "Nothing has cost Croatia as dearly as the attempt by two criminals to reach an agreement in Graz. Several days ago, our president said that he supports Mr. Boban. Who is Boban? He was sentenced for economic crimes. He eavesdropped on us in 1971 and then spent only one year in prison. Boban said in Split that he has not done a single thing without Tudjman's knowledge. Thus, it takes guts for Franjo Tudjman to declare that he has never had anything to do with a partition of Bosnia."

Perhaps the best indication of the international effectiveness of the Tudjman-Boban policy in B-H is the epithet conferred on Croatia upon the establishment of Boban's "state" by the influential and high-circulation THE NEW YORK TIMES: Croatia—the murderer's apprentice, through which an equal sign was instantly placed between the criminal Serbian aggression and the unprecedented victims in the just struggle of the Croatian nation.

But what the Hercegovians think about Boban can perhaps be discerned from an article by Hrvoje Herceg published in HERCEGOVACKI TJEDNIK entitled "Can Boban Topple Tudjman?": "Boban has exploited the realization of the completely legitimate idea of ruling one's own territory in order to establish a veritable kingdom! He is the one who wields all power, the one who cannot be responsible to anyone, the one who refers to Tudjman in all things.... Thus, can Tudjman, by his own authority, bridle the dangerous political ambitions of the 'young man from Grude'?"

With his classic autocratic manner, Boban has already killed off several sets of subordinates. Herceg has the following to say about that: "The legal organs of government were simply replaced and new people—or the old people—were appointed, but appointed by Boban's decision, after disciplining. And anyone who even gently pointed out to the 'leader' that this was not the way to do things was countered with the conviction that Zagreb and Tudjman personally stood behind all of this!!! Here, even the bravest would run out of words, consoling himself that Tudjman (but not Boban) 'knows what he is doing'!!!... On the other hand, it was hard to believe that Tudjman has nothing better to do than replace the president of the opstina in, say, Prozor!... Boban rejected any attempt at criticism by declaring one to be 'a unitarist, a traitor, or a Bosnian.'" Oh, how familiar this sounds! However, Hrvoje Herceg does not really exist; this is the pseudonym of a young and talented Hercegovian journalist, which says plenty about the state of democracy and the opportunity for criticism within Boban's "empire."

The very "political suffering" of Mate Boban is easier to understand for those who have looked into the verdict of the circuit court in Split under number K-58/82. The judicial panel presided over by Judge Vinko Cuzzi charged him with seven criminal acts, including criminal acts against social and private property (Chapter 13 of the Croatian Penal Code, Article 142 (fraud) and Article 143, on robbery), criminal acts against the administration of justice (Article 212 (falsification of documents) and Article 232, on unauthorized use of money or securities in service), and criminal acts against the economy and market unity (Article 167, on trading in gold money, foreign currency, and foreign exchange).

He was given a total prison sentence of five years, which the Croatian Supreme Court, in its ruling and decision subnumber IKz 768/1983-5, changed to a prison sentence of two years and eight months. Even if we were to believe that the communist judiciary at that time was manipulated and that the credit affair was rigged for the purpose of political persecution, there are too many other facts and murky situations to essentially alter the general picture. Aside from this, the conduct of Judge Cuzzi was more than correct, according to the testimony of many people acquainted with the case. Thus, there is not much of a basis for the myth of political persecution, especially if it is known that after the failure of the Croatian Spring, Boban escaped the sanctions that befell even "nationalists" who were less exposed than he. It is true that some people were out to get Mate Boban at the time, like Matisa Mikulic, a member of the then-LC [League of Communists] of B-H, because even then Mate concerned himself with ethnic problems, as was the fashion at the time, but he saved himself from the witch-hunt by pushing his way under the coattails of Bozidar Pesa and Slobodan Kukavica. Still, when things came to a head, the Opstina Conference of the SSRNH [Socialist Alliance of Working People of Croatia] was announced, proclaiming to the conference in Split that Mate Boban was essentially working for the cause of the "working class," that he had in fact infiltrated the nationalist ranks on assignment. Thus, from on high came the conviction that Comrade Mate had cleared things up with nationalism, with Matica, etc.

Only God knows who all Comrade Mate was working for, but it is quite certain that in so doing he did not forget himself. People acquainted with the state of affairs say that Boban enjoys the strong support of the Hercegovian lobby in Zagreb, which also installed him in his current post. Mention is made of Minister Susak, Vice Vukojevic, former Minister of Finance Jozo Martinovic, Ante Beljo, and others. Thus, from circles close to the HDZ [Croatian Democratic Community], one hears allegations to the effect that despite a standing court ruling, Vukojevic promised Boban that the apartment would be returned to him from which he was evicted some time ago after several attempts, because he had moved in illegally and furnished it with things for which Napredak was never paid. The same thing was done for the famous Aco Kasic.

A consideration of the very unusual amorous adventures of the unquestionably charming Mate and an examination of the alleged purchase of an apartment for his mistress is not, however, in keeping with the motives of this article. Unfortunately, we must skip certain other suspicious events due to the strong insistence of those who previously asked us to publish them. However, after certain incidents, like the death of Blaze Kraljevic and the terrorist action in which the car of Marinko Bozic was blown up, reservations have assumed the shape of sworn assurances. But if the Hrvoje Herceg pseudonym syndrome assumes wider proportions, we will be plunged into a darkness where nothing can help us.

Foreign Ministry Confirms Seizure of Iranian Arms

LD1009164192 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 10 Sep 92

[Text] In connection with a report carried by a number of foreign news agencies quoting THE NEW YORK TIMES—which said that on Friday, 4 September Croatian authorities detained an Iranian Boeing 747 aircraft at Zagreb's Pleso Airport that contained arms—the Croatian Ministry of Foreign Affairs has made the following statement:

On Friday, 4 September, an Iranian Boeing 747 aircraft with the number DLF-50 landed at Zagreb's Pleso Airport with a declared cargo of humanitarian aid intended for the Republic of Bosnia-Hercegovina. Subsequent inspection of the cargo, conducted in the presence of UNPROFOR [UN Protection Force] representatives, revealed that apart from the humanitarian aid the cargo contained a substantial quantity of small arms and ammunition.

According to the UN Security Council resolution that bans the import of arms to the territory of former Yugoslavia, which the Republic of Croatia is fully observing, the Iranian aircraft was returned, while the arms and ammunition found on board were stored and placed under supervision.

The Foreign Ministry has sent a note to the Foreign Ministry of the Islamic Republic of Iran expressing the conviction that such incidents should not be repeated. The ministry also informed the UN Committee for Sanctions asking for advice on what further steps to take regarding this incident.

Roundtable Participants Want Independent RSK

LD1009160792 Belgrade TANJUG in English 1249 GMT 10 Sep 92

[Text] Knin, September 10 (TANJUG)—The Republic of Serbian Krajina [RSK] can be nothing else but an independent state which would unite, in a democratic procedure, with other Serbian lands, a round table held at Knin concluded jointly.

Round table participants explained that this means that a special status offered to the Serbian Krajina by the international community should not be accepted because it reduces the Serbs in these parts to a minority ethnic community, or to the status of a national minority, which is unacceptable.

The Knin round table participants included representatives of a number of political parties, the largest number of whom were from the Serbian Democratic Party (SDS), eminent non-party personalities and representatives of current authorities.

The Republic of Serbian Krajina which covers one third of Croatia's administrative territory, was proclaimed at the end of last year in the parts where the Serbs represent a majority population as a reaction to Croatia's secession from Yugoslavia and the reduction of the Serbs to a national minority.

The territories of the Republic of Serbian Krajina are under the protection of the U.N. Peace Force (UNPROFOR) which will stay in these territories until a peaceful solution to the conflict between the Croat authorities and the local Serbs who wish to continue to live in Yugoslavia is reached.

The stand that the people should decide at a referendum with whom they will live on the basis of the right to self-determination was confirmed once more. The referendum should be staged when the peace is restored and the UNPROFOR's mandate is completed.

A consensus was also reached on holding elections at all levels of authority and a stand was repeated that the Krajina is still far from the rule of law and the state of law.

Government Seeks To Open International Missions

LD1009141692 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 10 Sep 92

[Text] According to a statement from a session of the Croatian Government held on 10 September, chaired by Prime Minister Hrvoje Sarinic, the government adopted a decision on setting up a permanent mission of the Republic of Croatia to the Council of Europe in Strasbourg. Another decision was adopted according to which a mission of the Republic of Croatia to the Vienna-based CSCE is to be set up. Both multilateral organizations a[re] of great importance for our state and, therefore, [the] decisions are coming into force on the day of [their] adoption. The government proposed to the preside[ncy of] the Republic that a decision be passed on opening [the] Croatian Embassy in London. A procedure has been initiated for reaching an agreement between the Republic of Croatia and the South African Republic on economic cooperation, the statement from the session of the Croatian Government also says.

Federal

Foreign Minister Submits Letter of Resignation

AU1009132892 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 10 Sep 92

[Text] Dear listeners, we have just received a report that Vladislav Jovanovic, minister of foreign affairs of the Federal Republic of Yugoslavia, today submitted his irrevocable resignation. This has been learned by TANJUG in circles close to the government of Milan Panic.

It has been learned that Jovanovic sent a letter to Prime Minister Panic informing him that he does not agree with his concept of resolving the Yugoslav crisis on the international scene. Jovanovic also criticizes some practical steps that Prime Minister Panic has taken with regard to the Ministry of Foreign Affairs, stressing that these actions have come to the fore most recently.

As has been learned, Vladislav Jovanovic says in his letter to Prime Minister Panic that he can no longer remain in a government that, in his opinion, increasingly openly follows a policy that is at variance with the interests of Serbia and the Serbian people.

'Text' of Resignation Letter

LD1009140492 Belgrade TANJUG Domestic Service in Serbo-Croatian 1337 GMT 10 Sep 92

[Text] Belgrade, 10 Sep (TANJUG)—The office of the FRY foreign affairs minister today sent TANJUG a letter in which Vladislav Jovanovic submits his resignation to the prime minster of the Federal Government, Milan Panic. The following is the full text of the letter:

"Mr. Prime Minister,

Your approach to and concept of resolving the Yugoslav crisis on the international scene as well as some of your recent practical steps concerning the department which I head profoundly clash with my notion of national duty and dignity.

I find it impossible to continue to remain in a government that is increasingly openly pursuing a policy opposed to the interests of Serbia and the Serb nation.

I have therefore decided to submit my irrevocable resignation from the post of minister of foreign affairs in your government.

[signed] Vladislav Jovanovic [no closing quotation mark as received]

Panic Accepts Resignation

LD1009182592 Belgrade TANJUG Domestic Service in Serbo-Croatian 1744 GMT 10 Sep 92

[Text] Belgrade, 10 Sep (TANJUG)—President of the Yugoslav Government Milan Panic has accepted the resignation from the post of minister of foreign affairs which was tendered today by Vladislav Jovanovic. Government President Milan Panic gave the following statement on the resignation this evening:

"I greatly respect Vladislav Jovanovic as a person and I respect his capabilities. It is clear, however, that there are differences between us in approach and style of conducting foreign policy. The government's policy obviously requires different people, so that I have decided to accept this resignation. I shortly will appoint a new minister, and other vacant positions in the government also will be filled at the same time," premier of the Federal Government, Milan Panic, said this evening.

Serbian Radicals Accuse Panic of 'Betrayal'

AU1009154492 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 10 Sep 92

[Text] The Serbian Radical Party is ready to come out in the November elections, but insists that they should be held simultaneously on all levels. As a compromise solution, it accepts the division of Serbia into 10 electoral units, but the Radicals demand a proportional representation election system and a five percent minimum for representation.

This party repeated its accusations against the Federal Government and prime minister. Zorica Pantelic reports from the news conference.

[Begin recording] [Pantelic] According to Dr. Vojislav Seselj, the Federal Government and the prime minister, or as Seselj called him, the outgoing prime minister, have committed the crime against the legal organization of the country by setting war criminals free. In his words, this issue has caused a conflict in the Federal Government, since even the justice minister states that he does not know who signed the document. According to the information presented by this party, that was done by Dr. Oskar Kovacic, deputy prime minister.

The party also claims that it has a photocopy of the document, which was shown to the reporters. The Serbian radicals are against the recognition of Tito's borders, and everyone who agrees to them is a traitor, it was said at the news conference.

I do not know about the development of the conflict between Panic and Milosevic, Seselj said, and added that this conflict benefited neither of them. As for Prime Minister Panic, Seselj said that he had committed another act of betrayal.

[Seselj] Mr. Panic is deliberately sending a capitulating group to the Geneva conference, a group that will accept all conditions and orders from the Western powers, which we condemn most strongly.

[Pantelic] Asked to comment on the gradual approach of the Montenegrin ruling party to the Federal Government, Seselj said that it was a matter of warped relations between two coalition partners, the Serbian socialists and the Democratic Party of Socialists of Montenegro,

and an attempt at solving the disagreement through secondary issues. He criticized the government for not doing enough to regulate gasoline supplies, and for prohibiting capable entrepreneurs from using their, as it was said, black-market channels to provide enough gasoline.

The Serbian Radical Party has never forced anyone to move out of Hrtkovci. The Croats, with the help of the Catholic Church, voluntarily exchanged houses with Serbs, Seselj said.

The Serbian radicals are appealing to the citizens of the Federal Republic of Yugoslavia to increase assistance to the Republic of Serbian Krajina. Asked if he would apologize to Federal Deputy Ljubica (?Djakola), Seselj said that she got what she asked for, and at the same time accused Panic of being personally responsible for such an atmosphere in the Federal Assembly. [end recording]

Vance, Owen Arrive in Belgrade, Meet Cosic

LD1109091392 Belgrade TANJUG Domestic Service in Serbo-Croatian 0756 GMT 11 Sep 92

[Text] Belgrade, 11 September (TANJUG)—Federal Republic of Yugoslavia President Dobrica Cosic received cochairmen of the international Conference on Yugoslavia Cyrus Vance and Lord Owen in the palace of federation today. They arrived in Belgrade last night following their visits to Sarajevo and Zagreb.

President Cosic expressed hope that the mission Vance and Owen have embarked on in order to seek solutions to the Yugoslav crisis and bring about a peace in Bosnia-Hercegovina will be successful.

"I deeply appreciate your personal courage and the efforts you are investing in restoring peace in our lands. I want to assure you that we are your assistants," Cosic said.

The FRY president told them that the Yugoslav Government regarded the London conference as "a turning point in resolving the question of peace in the entire Balkans."

Following their talks with the Yugoslav president, Lord Owen and Cyrus Vance are expected to have talks with Federal Prime Minister Milan Panic. A meeting is also expected to take place between Serbian President Slobodan Milosevic and Vance and Owen.

Panic Suggests Proportional Representation at Talks

LD1009205592 Belgrade TANJUG in English 1959 GMT 10 Sep 92

[Text] Belgrade, Sept 10 (TANJUG)—Yugoslav Prime Minister Milan Panic proposed at round-table talks between the government and the opposition on Thursday [10 September] that early elections, slated for later this year in the Federal Republic of Yugoslavia (F.R.Y.), should be held under the proportional representation system.

The round table has been in session in Belgrade since late August.

The proposal, which was an attempt by the government to break a deadlock in the talks, envisages for Montenegro, which is one of the two constituent republics of the F.R.Y., to be a single constituency, and the other republic—Serbia—to have between six and eight constituencies, with a required support of between four and six per cent per constituency for parliamentary representation.

However, subsequent debate showed that the positions held by the ruling socialists and the opposition on the key issue—the number of constituencies—were irreconcilable.

The socialists, who originally favoured majority representation, have apparently abandoned that position and now propose a division of Serbia into between 15 and 20 constituencies. The parliamentary opposition, which has since the outset been united in its demand for proportional representation—in which both Montenegro and Serbia would be single constituencies—rejected the socialists' proposal as an attempt to sneak in majority representation under the guise of proportional representation.

Prime Minister Panic suggested that the opposition parties appear in the elections as a coalition, and recommended that they should act abroad as representatives of a single nation.

A working group, set up to consider the question of the election system, failed in last week's round of talks to find a solution, and has withdrawn after an intervention from Panic to try to coordinate the proposals on the electoral system.

The government offer was preceded by a statement by Justice Minister Tibor Varadi, who said that most of the members of the working group, which had meanwhile met behind closed doors, had favoured a solution under which each constituency should elect between 20 and 30 delegates, which means that Serbia would have something like four or five constituencies. Most members of the group wanted simultaneous elections at all levels, Varadi said.

The chairman of the round table, Vice-Premier Radoje Kontic, has recently said that the government should draft a bill on the electoral system and submit it to parliament by September 20. Early elections are slated for November 21.

The round table is continuing on Thursday evening with a debate on party financing and the role of the media during the election campaign.

Bombing of Drina Bridges Seen as 'Top Priorities'

92BA1383A Belgrade BORBA in Serbo-Croatian 27 Aug 92 p 13

[Article by Branka Mitrovic: "In the Event of Military Intervention by Western Powers in Bosnia-Hercegovina, What Criteria Would Be Applied in Choosing Serbian Targets, According to Articles in the Croatian Press: Bridges on Drina Would Be Blown Up First"—first paragraph is BORBA introduction]

[Text] Karlo Jeger, whom the Croatian press portrays as a competent military expert, asserts that 25 Serbian targets have already been specified, that Bosnian "D-Day" is approaching, and that although the choice of vital targets for bombing is being kept strictly secret, the top priorities will be bridges on the Drina.

"If the London conference does not quickly yield a genuine cease-fire in B-H [Bosnia-Hercegovina], Croatia will support a limited international military strike against Serbian artillery positions and airports, including Belgrade." This is what Vanja Moric, the spokeswoman for the Croatian Ministry of Internal Affairs, told FRANCE-PRESSE, adding that "Croatia has not abandoned the option of restoring its borders by force."

Croatian Deputy Prime Minister Mate Granic attempted to moderate her words, but in Croatia increasingly vocal consideration is being given to the possibility that if the armed forces of the Western powers, under the pretext of simply protecting humanitarian corridors, give up the idea of intervention in B-H, then such intervention must in fact be carried out by Tudjman's armed forces after the expiration of the UNPROFOR [United Nations Protection Force] mandate in Croatia next May.

In addition, Karlo Jeger, whom the Croatian press portrays as a competent military expert, analyzes the criteria according to which Serbian targets would be chosen for destruction in the event of impending military intervention in B-H by the Western powers. He asserts that 25 Serbian targets have already been specified, that Bosnian "D-Day" is approaching, and that although the choice of vital targets for bombing is being kept strictly secret, the top priorities for foreign aircraft will be bridges on the Drina.

Logistical Base—Serbia

It is hard to estimate the total military strength of Serbian forces in the territory of B-H, Jeger admits. However, it is felt that they have at their disposal around 450,000 guns and that there could be at most 100,000 people under arms if the entire Serb population of B-H that is capable of waging war is mobilized. Thus, it is completely logical, he says, with such a concentration of weaponry, but also given the extremely unfavorable configuration of the terrain for mass use of contemporary infantry weapons, that Western military experts are avoiding talk of ground forces in the event of military intervention. Still, Jeger believes, studying the—as he calls them—detailed approaches of Western experts, committing air forces clearly would not result in major losses by potential interventionist forces. This is because the antiaircraft defense capabilities of the Serb armed forces in B-H are, in his opinion, clearly no match for the modern air forces of Western countries, both tactically and technologically. He asserts that the medium-range antiaircraft missile systems that the Serbs in B-H have in operative use comprise one division of "Volhov" (SA-2) ground-to-air missiles, as well as one battery of KUB-M antiaircraft missiles, positioned in the vicinity of the Banja Luka airport. The Americans already have good experience with neutralizing these systems from Libya and Iraq, while he says that the Serbs, with light PZO "Strela 1" and "Strela 2" systems, are completely ineffective against airplanes using so-called infrared decoys. In addition, all the field pieces that the Serbs have, the majority of which provide no radar information on the situation in the air, are harmless to airplanes using guided bombs and missiles, because such airplanes are effective outside the range of these artillery weapons. Moreover, Jeger asserts, the Serb air force in B-H has at its disposal only airplanes of the type "Orao" and "Jastreb."

In his view, the first sortie by foreign aircraft could not ignore the radar stations at Pljesevica, Jahorina, Majevica, and Kozara, and it would be necessary to completely destroy the Banja Luka airport and the helicopters stationed at Zaluzani, in the immediate vicinity of Banja Luka. One of the targets would clearly have to be the headquarters of Gen. Ratko Mladic, which, according to Jeger, is located in the former refuge of King Petar Karadjordjevic in Han Pijesak, while there is also a need to isolate Serb forces in B-H from their main logistical base—Serbia. Besides the bridges on the Drina, the large weapons depot in eastern Bosnia would also be bombed, which according to Jeger is located below Mount Zep.

With All Means

As far as deblockading Sarajevo is concerned, Serb artillery positions around the city itself, at Vlasic, and in the Kupres-Livno theater of operations would be attacked. Lukavica, Pale, Ilidza, Vogosca, and Trebevic would be easily neutralized through the massive use of cluster bombs. After all of this, the second phase of operations by Western forces would focus on disabling the further supply of Serb forces from Serbia, and any intervention by fighter aircraft from Serbia could be prevented through air defense.

Ante Barisic goes one step further. He asserts that if there is no foreign military intervention in B-H, then the West will allow Croatia and B-H more substantial acquisitions of arms. Specifically, military experts deem this the best solution, because opposition to the direct commitment of U.S. and Western European units is still great. Thus, it is clear, Barisic says, that the real threat of strategic

weapons from Serbia must have an adequate counterbalance on the Croatian side, and this in situations where war is being waged with Serbian armed forces outside Serbia. Croatia will surely be helped in acquiring quality weapons by its entry into the United Nations, and even Franjo Tudjman has said that the embargo on deliveries of arms can no longer survive under these changed circumstances.

Major hope, Barisic says, is placed by Croatia in the acquisition of aircraft—for bombing, not fighter-combat missions—as well as ballistic missiles, which more than proved their worth in the war in Afghanistan and during "Desert Storm." The targets of ballistic missiles are 200 to 500 km from the launch site, but Barisic says that the first of them could destroy the air base at Podgorica, which he says does not have antiair defenses like Belgrade, and they could also seriously threaten the southern Croatian and Bosnia-Hercegovian theater of operations.

A response to Serbia would come immediately after the end of the UNPROFOR mandate in Croatia, other military experts add in turn. And as Tudjman has announced, Croatia will fight with all means against having the members of UN forces remain beyond May of next year.

Serbia

Poll Shows Milosevic's Popularity Decreasing

92P20400A Ljubljana DNEVNIK in Slovene 31 Aug 92 p 1

[Unattributed article: "Only One-Fifth of Serbs Support Milosevic"]

[Text] Belgrade, 31 August—A public opinion poll published by the TANJUG press agency yesterday shows that only every fifth resident of Serbia still supports President Slobodan Milosevic. At the pinnacle of his power and popularity three years ago, Milosevic was supported by 85.6 percent of Serbs. Last February his popularity dropped to 29.2 percent, and in July, at the time of this poll, it fell to 20 percent. Nevertheless, Milosevic is still well ahead of other Serbian politicians.

Montenegro

Djukanovic Says 'Bolshevik Syndrome' Rules Media

AU0909171592 Podgorica POBJEDA in Serbo-Croatian 6 Sep 92 p 2

[Unattributed report]

[Text] During the Radio Montenegro program called "Meridijani," whose guest was Prime Minister Milo Djukanovic, a group of citizens from Budva asked the prime minister when he would dismiss the chief editor of POBJEDA, which "is increasing its war-mongering and chauvinist activities against all opposition forces that do not think like you and your party?"

"There have been many objections made to the activities of the media—Radio, Television, and POBJEDA. We have never asked the ruling party whether they are satisfied with our work. Are you satisfied with our work?" the program announcer asked Djukanovic.

"This is the first time you have asked me that; others have already asked me whether I was satisfied. I said I was not, because of the lack of professional qualities that are necessary in the Montenegrin media. The question from Budva suggests an entirely different logic, one of constant dismissals, and restraints of public media," Djukanovic said.

"When, for example, an article appears that suits one wing of the opposition, there is a demand from the other side for an immediate dismissal of the chief editor. That is, in essence, a Bolshevik syndrome, which is striving to discipline the media in Montenegro. Believe me, I hear contradictory estimates on a daily basis. I can guess where this demand comes from, this demand from Budva for the dismissal of the chief editor of POBJEDA. On the other hand, there have been demands for the dismissal of the chief editor of POBJEDA on the grounds that he has, as they say, been too lenient with the liberals and the green bloc. I do not think he should be dismissed at all. What we should be working on is raising the professional level of the Radio, Television, and POBJEDA," Djukanovic stressed.

"I do, however, support the demand that the personnel policy in public media should be returned under the authority of the Montenegrin Assembly. Believe me, that is just one of the burdens that the government has to deal with. That is why we have no desire to keep it, so we will hand it over to the Montenegrin Assembly with great pleasure—if the Assembly thinks it should take this issue over," Djukanovic said.